

No. 6847.

IN THE

UNITED STATES CIRCUIT COURT OF APPEALS

FOR THE NINTH CIRCUIT.

HERMAN C. SOMMER,
 Defendant-Appellant,

vs.

ROTARY LIFT COMPANY AND PETER J. LUNATI,
 Plaintiffs-Appellees.

BRIEF FOR PLAINTIFFS-APPELLEES.

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BRIEF FOR PLAINTIFFS-APPELLEES.

FOREWORD.

For convenience, defendant-appellant will be referred to as the defendant, and plaintiffs-appellees as the plaintiffs.

Defendant's brief abounds in gross abuse—even insult—of the Patent Office, the District Court, and of plaintiffs' counsel. It would appear that Court and counsel, rather than the parties, are on trial.

The aspersions against counsel will be ignored,—not because counsel are callous or unmindful of the reflections upon their professional conduct, integrity, and ethics, but because we confidently believe that the record sufficiently answers these aspersions, and because we believe that this

Court will be interested in those questions which can be raised by the defendant's appeal rather than in questions which could be pertinent only upon Congressional proceedings to impeach Judge Hollzer, or upon proceedings to disbar counsel.

This is a patent infringement suit in which the plaintiffs moved for a preliminary injunction. All of the requisites for the grant of such a motion were present, *i. e.*, (1) unquestioned title in the plaintiffs, (2) an adjudication of validity and infringement at final hearing in a long and thoroughly contested suit, and (3) a clear case of past and threatened future infringement by the defendant. The District Court granted the motion for preliminary injunction.

Was it an abuse of the discretion which the law reposes in Federal District Courts, to grant the plaintiffs' motion for a preliminary injunction?

This is the only question which can properly be raised upon an appeal to this court.

But as a vehicle for the torrent of vituperative vilification which counsel for the defendant have heaped upon Court and counsel, this appeal pretends to have been based upon an assignment of no less than seventy-five separate and distinct errors. The quality of these assignments of error is indicated by the following quotations:

“IV.

“In denying defendant's motion for a bill of particulars.

“VI.

“In ordering hearing on plaintiffs' motion for preliminary injunction at request of plaintiffs continued from June 1, 1931, to June 29, 1931.

“XII.

“In not giving this cause a day certain for trial on the 9th day of November, 1931, pursuant to this Court's order of October 12, 1931, placing said cause on the calender for setting on that said day.

“XV.

“In not giving this cause a day certain for trial on the 11th day of January, 1932, pursuant to order of December 30, 1931, continuing the case to said 11th day of January, 1932, for setting.

“XVII.

“In ordering, upon plaintiffs’ request, that plaintiffs be permitted to file reply affidavits and brief upon plaintiffs’ motion for preliminary injunction not later than twenty days before the date of the hearing of said motion for preliminary injunction when the court had, on June 26, 1931, ordered that plaintiffs file such reply affidavits and brief not later than thirty days before hearing on said motion for preliminary injunction.

“XXVII.

“In considering and allowing to remain of record various written communications from counsel for plaintiffs pertinent to the merits of this cause and of the said motion for preliminary injunction.

“XXIX.

“In admitting Lynn A. Williams, attorney for plaintiffs, to practice in this court for purpose of this cause without a proper introduction or upon proper motion of an attorney at law entitled and admitted to practice in the United States District Court for the Southern District of California.

(The admission of counsel for the plaintiffs *pro hac vice*, having been ordered upon the motion of Benjamin S. Parks of the Los Angeles Bar, and a member of the Bar of the California State and Federal Courts.)

“LXVII.

“In limiting counsel’s time in which to make out and explain and argue defendant’s showing for a supersedeas bond pending appeal.

“LXXI.

“In refusing to follow defendant’s suggestions as to the amount of bond to be put up by plaintiffs as a condition to the grant of a preliminary injunction and in making said bonds no more than Twenty-five hundred dollars (\$2500.00).

“LXXII.

“In exactly following plaintiffs’ suggestion in making plaintiffs’ bond as a condition to the grant of a and in making said bond no more than Twenty-five hundred dollars (\$2500.00).” Etc., etc.

We cannot believe that this Court will entertain or consider such assignments of error as these. We cannot believe that this Court will be swayed by the unfounded charges of bias, prejudice, and stupidity which have been hurled at Judge Hollzer, nor by the unfounded assertions of “inethical” conduct on the part of counsel for plaintiffs.

Your Honors will find that the only question which can properly be presented under the defendant’s appeal, is a very simple one: Did the District Court abuse the discretion which the law imposes upon the District Court alone in granting a motion for a preliminary injunction in a case where all of the requisites for a preliminary injunction were fully and completely met?

In the following brief we shall address ourselves primarily to this one question.

We cannot believe that United States Circuit Courts of Appeal will undertake ordinarily to substitute their discretion for that of the District Court in connection with the grant or refusal to grant preliminary injunctions in patent suits. Such a practice will invite the defeated party on every such motion to bring his case before the Court of Appeals, and it will be the discretion of the Appellate Court and not that of the District Court, which will determine the outcome of every such motion. If this is to be the practice, such motions might better be presented to the Appellate Court in the first instance, because certainly the District Court, not having seen the affiants or heard the testimony of any witness, but only the arguments of counsel, is in no better position to determine a motion for preliminary injunction than is the Appellate Court (except

only, perhaps, that the District Court ordinarily devotes far more time to the hearing of the arguments of counsel and to the examination of the physical exhibits than can be devoted by an Appellate Court).

Recognizing, however, that Courts of Appeal have in some few instances exercised their power to decide motions for preliminary injunction upon the basis of their own discretion, and regardless whether there has been abuse of discretion by the District Court, we shall devote ourselves secondarily to the proposition that all three of the courts which have heretofore passed upon the Lunati patent in suit have been right in holding it both valid and infringed.

Finally, we shall devote ourselves briefly to the proposition that the District Court was right in sustaining the plaintiffs' objections to the defendant's interrogatories (although we recognize no ground upon which the Court of Appeals has jurisdiction of this question at this stage of this proceeding).

POINTS AND AUTHORITIES.

(A) Relative to the Primary Question Whether the District Court Abused Its Discretion in Granting a Preliminary Injunction.

I.

This appeal only challenges the discretion of the District Court in granting a motion for preliminary injunction in a patent suit.

Sherman-Clay Co. v. Searchlight Horn Co., 214 Fed. 99.

Stearns-Roger Mfg. Co. v. Brown, 114 Fed. 939.

II.

Plaintiffs, having established (1) title, (2) presumptive validity and (3) threatened infringement, are entitled to a preliminary injunction.

Kings County Raisin & Fruit Co. v. United States Consol. Seeded Raisin Co., 182 Fed. 59.

III.

The Lunati patent, having been sustained at final hearing in a contested case, should, on motion for preliminary injunction, be presumed valid unless new defenses are presented—defenses so cogent and persuasive that the Court is convinced that had they been presented in the earlier suit the patent would have been declared invalid.

Kings County Raisin & Fruit Co. v. United States Consol. Seeded Raisin Co., 182 Fed. 59.

Sherman-Clay Co. v. Searchlight Horn Co., 214 Fed. 99 (9th C. C. A.).

Fireball Gas Tank and Illuminating Co. v. Commercial Acetylene Co., 198 Fed. 650 (8th C. C. A.).

Interurban Ry. & Terminal Co. v. Westinghouse Electric & Mfg. Co., 186 Fed. 166 (6th C. C. A.).

New York Filter Mfg. Co. v. Niagara Falls Water-Works Co., 80 Fed. 924 (2nd C. C. A.).

Bresnahan v. Tripp Giant Leveller Co., 72 Fed. 920 (1st C. C. A.).

IV.

Defendant presented no new defenses—only a rehash of old and discredited ones.

V.

The District Court's finding of infringement should not be disturbed unless it involves an obvious error of law or a serious mistake of fact.

Stearns-Roger Mfg. Co. v. Brown, 114 Fed. 939.

VI.

Plaintiffs were not guilty of laches—either in bringing suit or in proceedings for preliminary injunction.

Stearns-Roger Mfg. Co. v. Brown, 114 Fed. 939.

(B) If This Circuit Court of Appeals Is Disposed to Substitute Its Discretion for That of the District Court, Then for the Following Reasons We Submit That the Plaintiffs Are Entitled to An Injunction.

VII.

A new combination of old elements productive of new and beneficial results is patentable.

Consolidated Contract Co. v. Hassam Paving Co.,
227 Fed. 436.

Loom Co. v. Higgins, 105 U. S. 580; 26 L. Ed. 1177.

Stebler v. Riverside Heights Orange Growers' Ass'n.,
205 Fed. 735.

VIII.

Lunati's invention is a new combination of elements, never before assembled as he assembled them and productive of new and highly beneficial results,—results long sought but never before attained.

IX.

“Double use” means the use of the same device for an analogous purpose. Even the use of the same device for a non-analogous purpose may be invention.

Robinson on Patents, Vol. 1, Sec. IV, p. 354.

Mast, Foos & Co. v. Stover Mfg. Co., 177 U. S. 485;
44 L. Ed. 856.

Walker on Patents (Sixth Edition), Vol. 1, p. 96.

Traitel Marble Co. v. U. T. Hungerford, 18 Fed. (2d)
66, 68.

X.

Claims must be construed in consonance with the accompanying specification—when so construed claims 2, 3, 7 and 8 of the Lunati patent are not met by the prior art.

Greenawalt v. American Smelting & Refining Co., 10 Fed. (2d) 98.

XI.

The Lunati lift is a different device from any in the prior art—consequently his patent is not merely for a double use.

XII.

Defendant's lift infringes claims 2, 3, 7 and 8 of the Lunati patent.

XIII.

The doctrine of file-wrapper estoppel goes only to this extent: The claim of an issued patent cannot be construed in such a way as to make it identical with a claim which has been abandoned during the prosecution of the application—the file-wrapper of the Lunati patent creates no estoppel against an interpretation of claims 2, 3, 7 and 8 to include defendant's lift.

Angelus Sanitary Can. Mach. Co. v. Wilson, 7 Fed. (2d) 314.

XIV.

Plaintiffs' showing not open to criticism because of absence of "expert" affidavit—none necessary in simple case.

Hardinge Conical Mills Co. v. Abbe Engineering Co., 195 Fed. 936.

Safety Car Heating & Lighting Co. v. Gould Coupler Co., 239 Fed. 861.

Kohn v. Eimer, 265 Fed. 900.

XV.

Defendant's "expert" affidavit of Lyndon largely composed of conclusions on questions of validity and infringement,—therefore incompetent and improper.

Walker on Patents (Sixth Edition), Vol. 1, p. 796.

Hardinge Conical Mill Co. v. Abbe Engineering Co.,
195 Fed. 936.

Safety Car Heating & Lighting Co. v. Gould Coupler Co., 239 Fed. 861.

Kohn v. Eimer, 265 Fed. 900.

(C) The Circuit Court of Appeals Does Not Have Jurisdiction at This Stage of This Proceeding to Pass Upon Those Assignments of Error Which Questioned the Disposition by the District Court of the Objections to Interrogatories, Nevertheless—

XVI.

The District Court properly sustained plaintiffs' objections to defendant's 98 "First Supplemental Interrogatories."

U. S. Code, Title 35, Sec. 69 (Revised Statutes, Sec. 4920).

Federal Equity Rule No. 58.

Miller & Pardee v. Lawrence A. Sweet Mfg. Co., 3
Fed (2d) 198.

STATEMENT OF CASE.

In order that the Court may have a really intelligible and, as plaintiffs' counsel believes, an accurate picture of the matter presented on this appeal, it seems necessary briefly to outline some of the more pertinent facts,—as counsel considers the record clearly to establish them.

Plaintiff Peter J. Lunati is the inventor-owner of the patent in suit (No. 1,552,326, granted Sept. 1, 1925—Rec. Vol. 3, p. 42). Plaintiff Rotary Lift Company is Lunati's exclusive licensee. These facts are not disputed.

Plaintiffs have no source of income other than that derived from the Lunati patent in suit (O'Brien Affidavit, Rec. Vol. 1, p. 29).

Plaintiffs first learned of defendant's infringement on January 28, 1931 (O'Brien Affidavit, Rec. Vol. 1, p. 253).

Defendant admitted statutory notice of infringement,—that in "February of the year 1931 . . . one of plaintiffs' counsel on a visit to the West Coast informed me that I was infringing the said Lunati patent" (Sommer Affidavit, Rec. Vol. 1, p. 332).

The bill of complaint was filed March 4, 1931 (Rec. Vol. 1, p. 8).

Plaintiffs' motion and *prima facie* showing for a preliminary injunction were filed March 27, 1931 (Rec. Vol. 1, pp. 9 to 30). On the same day a show cause order, **returnable on May 11, 1931**, was issued against the defendant (Rec. Vol. 1, p. 10). By this order defendant was given until April 15, 1931, to serve and file his showing in opposition to the motion and plaintiffs were given until May 6, 1931, to serve and file a reply showing.

Plaintiffs' right to a preliminary injunction was predicated upon a prior adjudication at final hearing, holding claims 2, 3, 7 and 8 of the Lunati patent valid

and infringed (the suit hereinafter referred to as the Orgill suit).

On April 1, 1931, defendant moved to dismiss the bill of complaint (Rec. Vol. 1, p. 32). This motion was denied on April 6, 1931 (Rec. Vol. 2, p. 910).

On April 2, 1931, defendant obtained, **ex parte and without notice**, an extension of time to file his showing and a continuance of the return or hearing from May 11 to **June 1, 1931** (Rec. Vol. 2, p. 910).

In view of the defendant's contention that the preliminary injunction should have been denied because of the plaintiffs' "laches" in arguing the motion, it is to be noted here that this postponement of the argument from May 11 to June 1, 1931, was secured by the defendant **ex parte**, and without notice to the plaintiffs. Counsel for plaintiffs did not, therefore, have any opportunity to explain to the Court that for nearly a year he had been planning his engagements in such a way as to be married on June 6, 1931, and then in July to go to Johns Hopkins Hospital at Baltimore for a series of operations to restore his eyesight, which had been lost by the growth of cataracts. All of the plans of counsel for plaintiffs had been made in such a way as to accommodate the argument of this motion for preliminary injunction at Los Angeles on May 11 (Rec. Vol. 1, p. 176). As will subsequently appear, the postponement which was secured upon the defendant's **ex parte** application, made it necessary for the plaintiffs to ask for a further postponement to accommodate the engagement which counsel for the plaintiffs had made to be married, and then to have a series of surgical operations upon his eyes at Baltimore.

On May 5, defendant's answer and counterclaim were filed (Rec. Vol. 1, pp. 39 to 54). Plaintiffs moved on May 16, 1931, to dismiss the counterclaim (Rec. Vol. 2, p. 911) and this motion was granted on May 25, 1931 (Rec. Vol.

2, p. 911). Subsequently an amended counterclaim was filed (Rec. Vol. 1, p. 164).

On May 12, 1931, defendant filed his showing in opposition to plaintiffs' motion for preliminary injunction (Rec. Vol. 1, pp. 56 to 144 and 327 to 530).

The operations on the eyes of plaintiffs' counsel were performed as scheduled in July, August and September but it was not until October 13 that counsel "was able either to see one well enough to recognize him or able to read anything at all." Yet, "in anticipation of the success of these operations" notice, in accordance with the postponement order of June 26, 1931 (Rec. Vol. 2, p. 912), was served on defendant's counsel October 2, 1931, that plaintiffs would move that the motion for preliminary injunction be heard on 30 days' notice, *i. e.*, on Monday, November 9, 1931 (Rec. Vol. 1, p. 236).

Plaintiffs' counsel had long planned to be married on June 6, 1931, but a trial at Brooklyn interfered and he was married on June 27 and took a hurried trip to Europe which consumed "exactly three weeks from New York back to New York." And on the day of his return he went to Johns Hopkins Hospital and was either there or in its vicinity until October 13, 1931 (Rec. Vol. 2, pp. 618-624).

The District Court was satisfied that the postponement from June 1, 1931, to November 9, 1931, was amply explained and fully justified, because before plaintiffs' counsel had completed his explanation the following colloquy between the Court and counsel occurred:

"The Court: The court will interrupt here to say there is no occasion for going into any further detail on this feature of the case.

"Mr. Williams: I do not wish to go further. Your Honor means the circumstances for these delays?

"The Court: Yes.

"Mr. Williams: I take it that, you mean on this question of laches or delay generally, if you do not want to hear more about that, I won't say anything.

"The Court: No."

Nothing occurred which gave to the postponement of the arguments upon the motion for preliminary injunction the essential characteristic of “laches” or “estoppel *in pais*,”—because nothing occurred and nothing was done which misled or could have misled the defendant to his detriment. He was not led to make any investment or to do anything else,—he was not lulled into a sense of security by virtue of anything which the plaintiffs did or failed to do, continuously from and after the day in February, 1931, when Sommer was notified of his infringement of the Lunati patent. He and his counsel were being told in the most emphatic manner that the plaintiff was aggressively seeking to put a stop to the defendant’s continued infringement of the Lunati patent. The necessity for the further postponements of the hearing upon the plaintiffs’ motion for preliminary injunction, which resulted from the initial postponement secured upon the *ex parte* application of the defendant, was fully explained in the plaintiffs’ affidavits, and at all times the applications for these postponements made it unquestionably clear to defendant and his counsel that the motion for preliminary injunction would be argued just as promptly as conditions would permit. Indeed, the order granting the postponement requested by the plaintiffs was upon the express condition that the motion for preliminary injunction might be called up for hearing upon thirty days’ notice, and it was upon such notice served on October 2, 1931, that the arguments upon the motion were commenced on November 9, 1931. Throughout all of these proceedings the defendant and his counsel were being told in unmistakable terms that the motion for preliminary injunction was to be pressed as promptly and as vigorously as possible. Neither “laches” nor the estoppel which grows out of “laches,” ever can attach under circumstances of this kind.

The hearing began, as noticed, on November 9, 1931, and proceeded with some slight interruption throughout that day. At the close of the session the hearing was continued until the next motion day—the following Monday—November 16 (Rec. Vol. 2, pp. 574 to 667).

On November 16, plaintiffs' counsel having been compelled to return to Chicago and thus unable to be present, the hearing proceeded with defendant's counsel alone.

Defendant's counsel did not complete his argument on November 16 and consequently the District Court found it necessary again to continue further hearing until November 30. And it appears that the Court had in mind "that this argument will be transcribed and that the other side will at least be offered an opportunity to make a reply, if there is any to be made" (Rec. Vol. 2, p. 721).

Except for some slight interruptions, all of November 30th was devoted to arguments by counsel for both parties and, neither side having finished, the District Court, with great consideration for both counsel and little for itself, permitted further and the final arguments by counsel for both parties to be sandwiched in before 10 o'clock and during the usual noon recess of a jury trial on December 1, 1931 (Rec. Vol. 2, pp. 725 to 821).

Defendant's counsel in their brief charge so frequently that the District Court erred in not granting an early date for trial and final hearing that it seems appropriate here to revert to a discussion between Court and defendant's counsel during the first of the three days' argument, viz., on November 9, 1931:

"The Court: May we say this: We, as yet, have not been apprized of any reason for advancing this case out of its order; in other words, that it will be set at such time as it will be reached in the usual order, having in mind the condition of our calendar. So that, so far as setting the case at this term is concerned, there is not a chance; it will be nothing but a summary

order continuing the matter for the term and the case taking its turn, *unless some showing is made indicating why this case is entitled to be advanced.*

“*Mr. Blakeslee:* The reason, of course, we advance that is: We think it would promote the doing of justice here for the party entitled to receive it, to have the matter heard in extenso and completely instead of the necessarily fragmentary way, which is the only way that a preliminary injunction motion which goes into all the issues can be heard.

“*The Court:* Yes, we all recognize that, *but we have to also keep in mind that there are many other cases that are in a similar status.*

“*Mr. Blakeslee:* Oh, yes.

“*The Court:* There is hardly a patent case involving injunction but what occupies a similar status, and as long as we have no further assistance than has been provided up to the present, we see no reason why other litigants who are entitled to the same consideration should be subjected to delays.

“*Mr. Blakeslee:* I repeat, the case was on the calendar the second—no, earlier than that—last month, three weeks ago, and it might have been then set ahead, had we not acceded to the suggestion it be continued to today for that purpose. I am simply calling that to the court’s attention to show the stage to which this case has proceeded.

“*The Court:* May we suggest this: That an examination of the records of this court will readily disclose that there was not the slightest likelihood of this case being set during the present term, even had it been called at the beginning of the term. In other words, on this very calendar this morning there was an application to advance a case which has been at issue since March, 1930. *Now, that antedates the present case by fully a year. There is a man who, apparently, is likely to die because of a very serious injury. So, having in mind the condition of our calendar, we must take the position that this case must take its turn unless some showing is made indicating why it should be advanced over and above other cases.*

“*Mr. Blakeslee:* I take it further, then, that the court is not minded to consider a reference of this case, for the reasons which you have set forth?

“*The Court:* Yes.” (Rec. Vol. 2, pp. 582, 583.)
(Italics ours.)

The congested condition of the trial calendar as thus indicated by the District Court fully explains the reason—undoubtedly well known to defendant's counsel—why a trial of this cause could not have been arranged before December, 1931, and probably could not be had for sometime in 1932.

The matter of an early trial before the Court was again discussed on November 30, at which time the following colloquy between Court and counsel occurred:

"The Court: In the event that a hearing could be accorded next month, that is, January, would your side be ready?

"Mr. Hinkle: That I could not say. Mr. Williams will try that case, and I do not know. He is not here, and would have to speak for himself. I should imagine so, but I cannot bind him on that.

"The Court: You will see him within the next few days?

"Mr. Hinkle: I expect to.

"The Court: May we ask you to have him telegraph to the court, indicating whether he could prepare to go to trial next month?

"Mr. Hinkle: Yes, I can do that, but in the meantime, I think that this—

"The Court: It may be that we can find some way; it may be that I may be relieved by the visiting judge who is likely to be here about the end of the month, that is, possibly be relieved long enough to hear this case.

"Mr. Blakeslee: *By the way, of course, we would rather have your Honor hear it, and particularly inasmuch as your Honor has gotten such a comprehensive picture.*

"The Court: What I have in mind is, that judge would take the other calendar.

"Mr. Blakeslee: In that connection, I spoke yesterday of that Otis Elevator case and I have since talked with Mr. Lane, communicated with him in Chicago, who is chief counsel in that case, patent counsel and, as I mentioned yesterday, Mr. Leonard Lyon said he felt he could not try that case on the 5th of next month, the time it is set. Now, your Honor said something about you did not think it could be reached. That case

I presume would take a couple of weeks. That is another kind of elevator case, and Mr. Lane has said that he is willing to have this case stricken from the calendar, to be reset. Now, of course, that is a matter for your Honor to determine, but that would make some space there. That case might just be stricken from the calendar.

"The Court: No, as we indicated yesterday, we set two cases for the same time, having in mind some statement made to the effect that, by placing this case on the calendar and giving some indication that the defense was ready, perhaps it would bring the matter to the other side, the realization that the case was without merit and ought to be dismissed.

"Mr. Blakeslee: I do not know as we are capable of having that realization. I think it is of merit, but the point is this; Suppose Mr. Lane comes here from Chicago the 5th of next month, ready to try it, will the court be able to hear it?

"The Court: Now, we certainly do not expect to try that case. It was put on the calendar with the understanding it would merely serve that possibly essential purpose, but not if both sides were determined to go ahead, that we could hear it. Oh, no.

"Mr. Blakeslee: One reason for delaying that case was, there was litigation in the Second Circuit out of the same patent.

"The Court: Yes, you said you thought that would probably dispose of this." (The Otis case.) (Rec. Vol. 2, pp. 818 to 820.)

This discussion between the District Court and defendant's counsel also answers the implications—of course unfavorable to the District Court—which obviously Your Honors are expected to draw from the remarks and only partial quotation appearing at page 167 of Defendant's Brief, viz., that the District Court evidenced "a peculiar attitude" toward his trial calendar merely because he had set a case for trial out of order and that he might equally well have followed the same procedure in this case; whereas, as clearly appears, defendant's counsel well knew that the case which was set for hearing out of order could not and

would not be tried at the time set and that he had informed the District Court that some litigation in the Second Circuit involving the same patent would probably dispose of the California case.

As a result of the request of the Court that he be notified whether or not plaintiffs could prepare for trial in January, plaintiffs' counsel telegraphed the District Court on December 9th as follows:

“Honorable Harry A. Holzer,
Judge U. S. District Court,
Post Office Building,
Los Angeles, California.

Pursuant to your request through Mister Hinkle I have just succeeded in readjusting my court engagements so that I can try the suit of *Lunati v. Sommer* beginning any day after December 28 and concluding any day before January 19.

Signed: LYNN A. WILLIAMS.”

Apparently the congested condition of the calendar of the District Court prevented the case from being set for trial before him during the time this telegram indicated plaintiffs' counsel would be free for such proceedings; and the persistent efforts of defendant's counsel to have the trial referred to a Special Master finally induced the District Court to abandon the plan of trying the case himself whereupon, on December 11, 1931, the Court telegraphed plaintiffs' counsel as follows (Rec. Vol. 2, p. 934):

“Dec. 11, 1931.

LYNN A. WILLIAMS, Attorney,
1315 Monadnock Block,
Chicago, Ill.

Have arranged with Judge Bledsoe who served in this court for many years as Judge to act as special master hearing Lunati case beginning December 29 stop Defense requests plaintiff answer or object to defendants interrogatories by December 16 stop Believe this reasonable in view of early trial stop Defense states if answers to interrogatories not satisfactory depositions will be taken in San Francisco without delay.

Defense also requests affidavit of his expert on file be received as direct testimony with leave to plaintiff to cross-examine witness pursuant to rule forty-eight. Please wire reply.

HARRY A. HOLLZER, U. S. Dist. Judge.
(311 Federal Bldg. Mu 2498)"

This telegram from Judge Hollzer made it clear that counsel for defendant had had some *ex parte* discussion with the Court relative to the proposed references and the proceedings incident thereto. It was in response to this telegram that counsel for plaintiffs telephoned to Judge Hollzer protesting against the proposed reference, which had not yet been ordered (Rec. Vol. 2, p. 838). It is this long distance telephonic protest and response to the defendant's *ex parte* representations and requests, as referred to in Judge Hollzer's telegram,—and this only, which by any possibility might constitute the basis for Mr. Blakeslee's recommendation of disbarment proceedings (Rec. Vol. 2, p. 946) and of censure, rebuke and discipline at the hands of the American Bar Association (Defendant's Brief, p. 58), of which counsel for the plaintiffs has long been a member.

On December 14, 1931, a formal order was entered without the consent of the parties, referring the matter to Benjamin F. Bledsoe as Special Master (Rec. Vol. 1, p. 282).

On November 17, 1931, defendant had filed ninety-eight "First Supplemental Interrogatories" relating to an alleged prior use by one John Cochin at San Francisco, California (Rec. Vol. 1, pp. 261 to 282). This alleged defense, claimed by defendant's counsel to relate to "**a complete anticipation**" of the Lunati patent (Appellant's Brief, p. 7) was not set up in the defendant's answer or any amendment thereto (Rec. Vol. 1, p. 39, p. 164). The time for filing answers and objections to these interrogatories was extended to and including December 22, 1931 (Rec. Vol. 2, p. 915). On December 21, 1931, plaintiffs' objections to all

of these "First Supplemental Interrogatories" were filed.

In view of the reference to the Special Master, before whom the trial was to commence on December 29, the District Court, at the request of defendant's counsel, asked plaintiffs' counsel to file answers or objections to these "First Supplemental Interrogatories" by December 16; but because of conflicting engagements of plaintiffs' counsel and the absence of Mr. O'Brien, President of the Rotary Lift Company, this request—it was not in any sense a modification of the order requiring the filing of answers or objections by December 22—could not be complied with (Rec. Vol. 1, pp. 284, 285).

Defendant's counsel have tried to warp or misconstrue these two telegrams between the Court and plaintiffs' counsel into an agreement that plaintiffs would answer rather than file objections to the interrogatories. On December 21st and 23rd the matter of plaintiffs' right to object and—the District Court holding that plaintiffs' counsel had not agreed to answer—the matter of plaintiffs' objections thereto were argued before the District Court by defendant's counsel and plaintiffs' associate counsel of San Francisco (Rec. Vol. 2, pp. 822 to 866).

It may be well here to remark that plaintiffs' associate counsel from San Francisco are unfamiliar with any of the mechanical details of the Lunati patent and the prior art and consequently have been depended upon merely in connection with motions involving the pleadings and other formal matters.

On December 30, 1931, plaintiffs moved to revoke the reference, which motion was granted and the cause was continued to January 11, 1932, for setting for final hearing before the District Court (Rec. Vol. 1, pp. 305 to 319).

In addition to plaintiffs' objections to the reference, one of the reasons for the District Court's revocation of the reference of the trial to the Special Master was the insist-

ence of defendant's counsel that defendant be permitted to take depositions at San Francisco on the unpleaded alleged Cochin use or that the Special Master be empowered to sit at San Francisco to hear evidence pertaining to this alleged use.

On January 11, 1932, the Court, apparently having been unable to make the contemplated arrangements for another Judge to assume the remainder of the trial calendar, continued the matter of setting for two weeks (Rec. Vol. 2, p. 899).

On January 25, 1932, the setting of the cause for trial before the District Court was continued to March 7, 1932.

On February 6, 1932, the District Court entered an order granting plaintiffs' motion for a preliminary injunction. This order was not a formal order for a preliminary injunction, but directed plaintiffs' counsel to prepare and serve on defendant's counsel "the proposed order of injunction" and requested counsel for both parties to "submit written suggestions relative to the amount of the bond to be fixed as a part of the order granting the injunction" (Rec. Vol. 1, p. 325).

On February 23, 1932, both parties submitted a showing as to the amount of the bond to be required of plaintiffs.

Defendant's showing appears in the record Volume 2, at page 904.

Part of plaintiffs' showing, viz., the Affidavit of R. J. O'Brien, President of the Rotary Lift Company, appears in the record Volume 2 at page 899; but the principal part of plaintiffs' showing, viz., an Affidavit of Albin C. Ahlberg and plaintiffs' "Memorandum Relative to the Amount of the Bond to be Fixed as a Part of the Order Granting Preliminary Injunction" referred to in the O'Brien affidavit are not in the printed record but went up to this Court as physical exhibits.

On this same day defendant's counsel presented a premature petition for appeal from the order of February 6, 1932, which petition was denied without prejudice (Rec. Vol. 1, p. 326) and a formal order for preliminary injunction conditioned upon plaintiffs' furnishing a bond in the sum of \$2,500 was entered (Rec. Vol. 2, p. 901). The District Court also denied defendant's application for supersedeas pending appeal.

On February 25th plaintiffs' bond was approved and filed and the writ of injunction *pendente lite* was issued (Rec. Vol. 2, p. 918).

Instead of petitioning to the District Court for an order allowing appeal from the preliminary injunction order of February 23rd, defendant petitioned, **ex parte and without notice** to plaintiffs or their counsel, on February 26, 1932, to one of the Judges of this Court and obtained an order allowing appeal and fixing the appeal bond at \$5,000 to act as a bond for costs on appeal and to stay the operation and effect of the order for preliminary injunction entered on February 23rd (Rec., Vol. 2, pp. 946 to 965).

On March 7, 1932, the District Court set the cause for final hearing on June 14, 1932.

On March 23, 1932, plaintiffs filed a motion before this Court to set aside the order of February 26 in so far as the same stayed the preliminary injunction (Rec. Vol. 2, p. 971), which motion was supported by an affidavit of plaintiffs' associate counsel of San Francisco filed on March 28, 1932 (Rec. Vol. 2, pp. 974 to 1008).

On April 16, 1932, defendant's supersedeas bond was approved and filed (Rec. Vol. 2, pp. 964-5).

On May 11, 1932, defendant petitioned this Court for an order staying the trial in the lower court pending the determination of the appeal to this Court (Rec. Vol. 2, pp. 1016 to 1029).

On May 16, 1932, this Court denied plaintiffs' motion to set aside the supersedeas of preliminary injunction and granted defendant's motion to stay the trial pending appeal (Rec. Vol. 2, pp. 1011 to 1014; pp. 1030, 1031).

ARGUMENT.

Plaintiffs Entitled To, and District Court Did Not Abuse Discretion in Granting, Preliminary Injunction.

As a matter of legal principle and procedure this appeal only challenges the discretion of the District Court in granting a motion for preliminary injunction.

“The granting of a preliminary injunction in a suit for infringement of a patent rests within the sound discretion of the trial court Under this rule the only question for the Court to determine would be: Had the Court abused its discretion?” *Sherman-Clay & Co. v. Searchlight Horn Co.*, 214 Fed. 99, 100 (9th C. C. A.).

The proper sphere and correct attitude of the appellate tribunal in an appeal such as the present case was more fully stated by Judge Sanborn for the Eighth Circuit Court of Appeals in *Stearns-Roger Mfg. Co. v. Brown*, 114 Fed. 939.

“The primary question on an appeal from an order granting a temporary injunction is whether or not the injunction evidences an error in the exercise of its sound judicial discretion by the court which issued it. There are established legal principles for the guidance of that discretion, and where they are violated the action of the court below should be corrected. But, unless there is a plain disregard of some of the settled rules of equity which govern the issue of injunctions, the orders of the courts below on this subject should not be disturbed. The law has placed upon these courts the duty to exercise this discretion. It has imposed upon them the responsibility of its exercise wisely, and has left them much latitude for action within the rules

which should guide them; and, if there has been no violation of those rules, an appellate court ought not to interfere with the results of the exercise of their discretion. The right to exercise this discretion has been vested in the trial courts. It has not been granted to the appellate courts, and the question for them to determine is not how they would have exercised this discretion, but whether or not the courts below have exercised it so carelessly or unreasonably that they have passed beyond the wide latitude permitted them, and violated the rules of law which should have guided their action."

In order to determine how the District Court exercised the discretion which the law imposes upon it, let us consider what it is necessary for a plaintiff to show in order to entitle it to a preliminary injunction. The *three* necessary prerequisites to the grant of a preliminary injunction in a patent infringement suit were admirably set forth by this Court in *Kings County Raisin & Fruit Co. v. United States Consol. Seeded Raisin Co.*, 182 Fed. 59-61, as follows:

"It is held that, to entitle the complainant to a preliminary injunction in a suit for the infringement of a patent prior to a trial on the merits, he must show three things: First, a clear title to the patent; second, its presumptive validity; and third, threatened infringement by the defendant."

Now let us see how the plaintiffs discharged this obligation.

First: Title in Peter J. Lunati, the inventor owner of the patent in suit and one of the plaintiffs, was shown; and also that Rotary Lift Company, the other plaintiff, is the exclusive licensee of Lunati under the patent in suit. Title was never questioned.

Second: The four claims of the Lunati patent relied upon (claims 2, 3, 7 and 8) had been previously sustained at final hearing in a long and bitterly contested litigation before the Standing Master and the Court for the Western District of Tennessee (the Orgill suit). The same four

claims had again been sustained on a motion for preliminary injunction by the District Court for the Western District of Missouri (the Clear Vision suit).

The rule and the law applicable to a situation of this kind are thoroughly well settled in this circuit and in other circuits.

“It is held that, to entitle the complainant to a preliminary injunction in a suit for the infringement of a patent prior to a trial on the merits, he must show three things: First, a clear title to the patent; second, its presumptive validity; and, third, threatened infringement by the defendant. *Edison Electric Light Co. v. Beacon Vacuum Pump & Electrical Co.* (C. C.), 54 Fed. 679, and *Norton v. Eagle Automatic Can Co.* (C. C.), 57 Fed. 929. In the case last cited, Judge Hawley said:

“‘I understand the rule to be well settled that where the validity of a patent has been sustained, as in this case, by prior adjudication in the same circuit, the only question open before the court on motion for a preliminary injunction, in a subsequent suit against other parties, is the question of infringement, and that the consideration of all other questions should be postponed until all of the testimony is taken in the case and the case is presented upon final hearing. There is, perhaps, an exception to this rule—that in cases where new evidence is presented that is itself of such a conclusive character that, if it had been presented in the former case, it would probably have led to a different conclusion. The burden, however, of showing this, is upon the respondent.’

“In the present case the bill alleged that the validity of the Pettit patent had been sustained by the court below in three certain suits, in each of which the whole prior art was considered and expert witnesses were examined. There was no new evidence affecting the validity of the patent presented on the hearing of the application for the injunction. The sole question before this court, therefore, is whether the evidence as to infringement was such that the court below abused discretion in granting the injunction.”

Kings County Raisin & Fruit Co. v. United States Consol. Seeded Raisin Co., 182 Fed. 59-61 (Ninth C. C. A.).

To the same effect see also:

Sherman-Clay Co. v. Searchlight Horn Co., 214 Fed. 99 (9th C. C. A.).

Fireball Gas Tank and Illuminating Co. v. Commercial Acetylene Co., 198 Fed. 650 (8th C. C. A.).

Interurban Ry. & Terminal Co. v. Westinghouse Electric & Mfg. Co., 186 Fed. 166 (6th C. C. A.).

New York Filter Mfg. Co. v. Niagara Falls Water-Works Co., 80 Fed. 924 (2nd C. C. A.).

Bresnahan v. Tripp Giant Leveller Co., 72 Fed. 920 (1st C. C. A.).

Defendant did not set up or present to the District Court a single patent, publication or alleged prior use which related to anything differing in **kind, character or pertinency** from defenses which had been considered, and held to be ineffective by the Master and the District Court, at final hearing, in the Orgill suit and by the District Court, on motion for preliminary injunction, in the Clear Vision suit.

The alleged new defenses differ from those presented and considered in the prior suits only in the number, name and date of the patent or publication or the time and place of the use. **In substance they are identical with defenses previously considered and found wanting.**

The accuracy of this appraisal of defendant's alleged new defenses was practically admitted by defendant's counsel in the argument on the merits of the motion. During the argument the following colloquy occurred between the Court and defendant's counsel (Rec. Vol. 2, p. 695):

"The Court: When you speak of this being a new defense, do you classify this device as being typical of what is known as a hydraulic elevator?

"Mr. Blakeslee: Yes, sir. *By new defenses, I do not mean sui generis; I mean it is a new prior art, a new example of the prior art.*" (Italics ours.)

And it is further and conclusively supported by the fact

that defendant's counsel in his brief before this Court devotes practically all of his discussion of alleged new defenses to the Zimmerman patent (No. 986,888) which was before the Courts in both the Orgill and Clear Vision suits and to hydraulic passenger and freight elevators (Lyndon Sketch X and Copes Exhibit A)—of which there were numerous and practically identical examples also before the Courts in the Orgill and Clear Vision suits—and to the Wood (No. 657,148) and Appleton & McCoy (No. 1,002,797) patents which were not only before the Courts in both of these prior suits, but were also cited and considered by the Patent Office Examiners during the prosecution of the Lunati application for the patent here in suit and over which the claims in suit were allowed.

This case, therefore, does not fall within the exception mentioned by this Court in *Kings County Raisin & Fruit Co. v. United States Consol. Seeded Raisin Co.*, *supra*, and by this and other Circuit Courts of Appeals in the additional citations, but rather should be treated as the Court treated the case of *Wayne Mfg. Co. v. Coffield Motor Washer Co.*, 209 Fed. 614 (8th C. C. A.), wherein the Court said:

“when a patent has been sustained as a result of a final hearing, the right thus secured, except in rare cases, cannot be destroyed by a new citation from the inexhaustible storehouse of the Patent Office. *If that could be done the holder of a patent would never obtain peace.* It is impossible to judge of the merits of the patent which is alleged to anticipate, except as the result of a final hearing *where its place not only on paper, but in the industrial world can be ascertained.*”
(Italics ours.)

Thus the District Court could not have abused its discretion in assuming, for the purposes of a preliminary injunction, the validity of the twice sustained claims here in suit.

Third: These claims had been held in the Orgill suit to be infringed by an automobile servicing lift essentially identical with the lift of the defendant. Again in the Clear Vision suit the claims had been held to be infringed by a lift which was practically a Chinese duplicate of the lift of the defendant.

Thus the District Court could not have abused its discretion in holding, for the purposes of a preliminary injunction, that the lift of the defendant was a "threatened infringement" of the claims in suit.

The law is clear that the finding of infringement by the District Court should not be disturbed in the absence of an obvious error of law or a serious mistake of fact. *Stearns-Roger Mfg. Co. v. Brown*, 114 Fed. 939, 943 (8th C. C. A.—Judge Sanborn):

"Counsel for the manufacturing company invoke the conceded rule that, where it is not clear that the defendant is guilty of infringement, and that question is grave and difficult, a temporary injunction should not be granted on *ex parte* affidavits. *Sprague Electric Ry. & Motor Co. v. Nassau Electric R. Co.*, 95 Fed. 821, 37 C. C. A. 286; *Hatch Storage Battery Co. v. Electric Storage Battery Co.*, 100 Fed. 975, 976, 41 C. C. A. 133, 134. But while this rule prevails in all its force in the trial court, it is met in the appellate court by another of great cogency,—by the rule that where the court below has considered a question, and made a finding on conflicting evidence, its conclusion is presumptively correct, and it ought not to be disturbed unless an obvious error has intervened in the application of the law, or some serious mistake has been made in the consideration of the facts."

Plaintiffs Not Guilty of Laches—Either in Bringing Suit or in Proceedings for Preliminary Injunction.

The record shows that the defendant's infringement first came to the knowledge of the plaintiffs on January 28, 1931, and that the defendant was notified of his infringement in February, 1931. The bill of complaint was filed only five weeks later, on March 4, 1931. The bill prayed, among other things, a preliminary injunction. Defendant and his counsel indulge in some speculation that plaintiffs must—or should—have known of the infringement at an earlier date.

This speculation—which arrived at a conclusion refuted by the record—was based partly upon the false premise that plaintiffs' preliminary showing of infringement included a photostatic print of a 1928 magazine advertisement of the defendant. The fact is that the exhibit in question (Plaintiffs' Exhibit 23—Physical) is an original circular put out by the defendant. Defendant's counsel admitted that this exhibit "was a trade circular Mr. Sommer put out at the time his business became a volume business with a substantial profit in 1927" (Rec. Vol. 2, p. 737). The only other basis for charging plaintiffs with knowledge of defendant's infringement prior to January 28, 1931, is a statement made by defendant's counsel about attorneys for the Rotary Lift Company having written to the California Industrial Accident Commission in 1927 for a list of approved auto lifts used in California, a statement which defendant's counsel admitted to the District Court at the time had no foundation in the record. Thus at the conclusion of counsel's remarks the following question and answer were exchanged by Court and counsel:

"The Court: Is that mentioned in one of the affidavits, you say?

"Mr. Blakeslee: No, sir, that is purely a matter I found out today" (Rec. Vol. 2, p. 743.)

But the record contains the sworn statement of Mr. O'Brien, the President of the plaintiff Rotary Lift Company, that this defendant's infringement first became known to the plaintiffs on January 28, 1931.

Three weeks and two days after the bill was filed, viz., on March 27, 1931, plaintiffs' motion for preliminary injunction and *prima facie* showing in support thereof were filed.

Thus only about *eight weeks* after defendant's infringement became known to the plaintiffs he not only had notice of plaintiffs' charge of infringement, but was under order to show cause why he should not be enjoined *pendente lite*.

Surely only *eight weeks* does not constitute laches.

Plaintiffs' counsel have been unable to find and defendant's counsel do not cite a single case where even unexplained delay between the filing of and the hearing upon a motion for preliminary injunction has been held to be a ground for denying such a motion.

And in this case whatever delay occurred between the filing of plaintiffs' motion for preliminary injunction and the conclusion of the hearing thereon is fully explained and adequately justified.

Originally the hearing was set for May 11, 1931. The plaintiffs and counsel for the plaintiffs were ready and willing and anxious to proceed with the hearing on that date. It was postponed only because of the *ex parte* and unnoticed and therefore unopposed application of counsel for the defendant. And it was only because of this initial postponement to accommodate defendant's counsel that other postponements necessarily followed.

We have endeavored to condense and summarize the complete answer to this defense of alleged laches, but after several attempts we find that the matter is as concisely stated in the record as can be done in a brief. We quote continuously, therefore, from pages 583 to 625 of Volume 2

of the record, wherein the Court had asked counsel for the plaintiffs at the outset of his argument to dispose of this matter of alleged laches, which previously had been urged upon the attention of the Court by counsel for defendant.

“Mr. Blakeslee: And then, may I suggest again that the court require the plaintiffs, as indicated by the court three weeks ago, to initially make showing to justify the some eight months during which this matter has been pending, including the three months when it was off calendar?”

“The Court: It is our purpose that during the hearing of the matter at some stage of plaintiffs’ presentation of it, that the plaintiffs indicate their reasons why an adjudication is warranted, in the light of any delay that has taken place.

“Mr. Blakeslee: I may say that we do not wish to attenuate this argument or proffer supererogation, but these matters do take frequently a day or a day and a half. I have known them here. There was one before Judge James here about a year ago, which I think took over one day, and even that was a case in which there had been an adjudication in this Circuit, and there never has been any such here; and we conceive this to be a very serious matter, that is, the application for ancillary relief of this sort, and therefore, in this case, which is the first in this Circuit under this patent, to very clearly go over all of our defenses. We do not wish, as I say, to impose upon the court any undue burden, but we wish simply to perform our full duty.

“The Court: We will hear from the plaintiff.

“OPENING ARGUMENT ON BEHALF OF THE PLAINTIFFS.

“Mr. Williams: If the Court please, your Honor may recall that there have been a great many motions heard before your Honor in this suit. All of our motions, if I

recall rightly, have been met with a motion to strike, and the plaintiffs in that way have secured an opening presentation of the motion. We moved in accordance with the order of this Court entered, I think on the 26th of —June— we moved on the 2nd of October to have this motion for preliminary injunction set down for hearing on this 9th day of November. Within a week or two that was countered, as Mr. Blakeslee has said, by the defendant's motion. I believe it was to strike or expunge or something of that sort, this motion for a preliminary injunction upon the ground of the plaintiffs' alleged laches or delay in presenting it. And I was furnished with a transcript of the argument which took place upon that matter, during the course of which, as Mr. Blakeslee has suggested, your Honor said that you would at the proper time—suggesting that it be today rather than that day—wish to learn why the grant of this preliminary injunction at this time was imperative, in view of the fact that its consideration had been delayed or postponed for a period of three months, as has been suggested. And your Honor has said today that at some time—I presume your Honor says that in recognition of the fact that an application for the extraordinary relief of a preliminary injunction throws a burden upon the plaintiff and the plaintiff must carry that burden if he is to succeed in procuring the grant of the motion for preliminary injunction—and a part of that burden as I conceive it to be, is to show that there will be an irreparable injury unless the injunction be granted; and, of course, the plaintiff must show that he has such equities in his favor, among other things, the equity resulting from his diligence and celerity, I presume, in order that the preliminary injunction may be granted.

“I have made a brief outline of the matters which I wish to call to the presentation of the court, and I had in my outline followed the suggestion made by my brother, that

at the outset I take up the matter of this alleged laches. I should like to do that mainly by calling your Honor's attention to the law relative to laches, in so far as it is applicable to a situation of this kind or to a situation which, in the minds of counsel, may conceivably relate to a situation of this kind.

"In their briefs counsel have largely quoted or paraphrased a text book on the subject of Patent Law, namely, that of Mr. Walker, and listed the citations given by Mr. Walker in support of the propositions which he advances. Incidentally, I might say at this point that Mr. Walker's claim to fame as a patent lawyer rests largely upon the fact that he wrote this book. Such cases as he had, in so far as I have been able to learn, were mainly cases relating to defenses. I think patent lawyers agree that Walker's text, while brief and pointed and, therefore, easy to read, cannot be relied upon. I think his treatment of defenses of patent suits is good and his treatment of the subject of equivalents, but it is notorious that the citations given by Walker do not support his text. Perhaps that is the reason why counsel in their brief in support of their motion to strike this motion for a preliminary injunction on the ground of alleged laches cited cases which Walker cites, and the cases it seems to me do not support the defendant's contentions in the slightest degree.

I should like to call your Honor's attention to two of those cases. I have made excerpts from them which I should like to read briefly. Their first is the case of *Green vs. French*, cited by defendant. The court granted in this case a preliminary injunction, saying:

"The general principle of equity jurisprudence which underlies applications of this sort is, that the court will not lend its help, by way of preliminary injunction, in those cases where it appears that the complainant has acquiesced in the infringement and unreasonably delayed suit against the infringers. When

patentees sleep over their rights, without an excuse, they must not rely upon the extraordinary aid of the court when they awake from their slumbers, but must be satisfied with such relief as may be afforded by the ordinary course of practice, after final hearing.

“ ‘The reissue on which this action is based was granted May 9, 1871. Within one year from that date the owners of the patent began a suit against an alleged infringer in the Eastern District of New York, which grew into such large proportions that three weeks were allowed and taken in the final argument, and which resulted, in 1876,’ (that is five years later) ‘in a decree sustaining the validity of the patent. The complainant explained his delay in the present case by showing that the suit above referred to was regarded by himself and many others as a test case,’—

and I shall want to show that we have been engaged in the trial of a test case.

‘—and that he had not the pecuniary means to prosecute all infringers,’—

which is true here—

‘nor was he disposed to promote litigation by a multiplicity of suits, until the vital questions raised by the pleadings and evidence in that case were settled by the decision of a competent tribunal.’

which is true here.

“ ‘A delay in bringing actions against infringers, when satisfactorily accounted for, is not to be treated as laches. It would be a great hardship to require patentees, who are generally poor,’—

as is the case here—

‘—to institute legal proceedings as soon as the infringement was ascertained or lose the right to the protection which an interlocutory injunction affords.’

“ ‘The next case is another cited by the defendant, *Collignon v. Hayes*. There the court granted preliminary injunction, saying:

“ ‘The plaintiff C. O. Collignon shows that he and the other joint inventor, his brother, who died in June

1880, or he and his said brother's executors, have always owned the patent; that they have been, since 1869, making chairs with the improvements covered by it, and have never been interfered with except by the defendant; that their business in such chairs is to the extent of about \$30,000 worth per year; that they have two licensees who pay them royalties; that the licensees complain of the defendant's infringement, and the licensees are endangered thereby; that he, C. O. Collignon, first learned of the defendant's infringement in 1878,'

And the affidavits here show that we learned of this instance of the defendant's infringement on the 28th day of January, 1931, on which day the bill of complaint was verified, and it was filed the 4th, I believe, of March of this year.

'—and promptly notified him to cease infringing, and has repeated such notice three times since; that soon after the first notice his brother became seriously ill and disabled from business, and it was impossible for him to give the time and pains necessary for proceeding against the defendant. It is shown that the plaintiffs retained counsel in the early part of 1880, and sued the defendant on the patent in New York City, in July, 1880, and moved for an injunction against him in November, 1880, but the suit was withdrawn because of a technical defect. The bill in this suit was filed in September, 1880, and the subpoena was served December 6, 1880. This motion was noticed for March 15, 1881, having been delayed because of business engagements of the plaintiffs' counsel. The foregoing facts are not contested.

“ ‘The defendant shows that he began making chairs, such as his patent describes, in September, 1718,’—

that was three years previously—

'—and applied for his patent June 21, 1879; that in September, 1879, he completed a building for the business, costing, with the land and the proper machinery, \$12,000, and employs about 50 men at Cortland Village, New York, and that he is worth \$25,000. What the defendant so did in respect to his new building was

done after notice from the plaintiffs. Mere forbearance to sue, under the circumstances stated, after the notice given, cannot, in the absence of any affirmative encouragement to the defendant, be held to affect the plaintiffs' right to a preliminary injunction, in such a plain case as this is.'

"Now, the last sentence or two of that opinion hints at the underlying principle here; that is, that mere delay does not give rise to a substantive right on the part of the defendant. If the plaintiff had, by making some false representation, or had by silence when he should have spoken, misled the defendant to his detriment—I am endeavoring to quote the principle which underlies equitable estoppel—then the defendant would have some right and the plaintiffs might have lost some right.

"I have handed to your Honor excerpts from some other cases, as stating that principle upon which we rely in the presentation at this time of this motion for this preliminary injunction.

"The Court: You mean dealing with the same subject of laches?

"Mr. Williams: It does, it does, yes. I am not going to read from all, but perhaps only one or two of these cases. The others were the practical application of certain facts to motions for preliminary injunction where, despite such delays as are there noted, the preliminary injunctions were granted.

"Here, now, I want to read a case or two which discuss the doctrine of laches. I am not planning to bore your Honor with the reading of all of these authorities. Take the first case, the *Stearns-Roger Mfg. Co. v. Brown*, opinion by Judge Sanborn for the Eighth Circuit Court of Appeals:

" 'The doctrine of laches is an equitable principle, which is applied to promote, never to defeat, justice. It is a branch of principle of equitable estoppel.'

And that I emphasize.

“ ‘Where a patentee, by deceitful acts, silence or acquiescence, lulls an infringer into security, and induces him to incur expenses or suffer losses which he would not otherwise have sustained, courts of equity apply the doctrine of laches on the principle that one ought not to be permitted to deny the existence of facts which he has intentionally or recklessly induced another to believe to his prejudice. There is nothing of that character in this case.’

I am quoting, and I say that such is true also of our present suit here.

“ ‘The manufacturing company was informed that Brown claimed its furnace was an infringement in 1893. It then had the option to retire from its manufacture and sale, or to proceed with it, and take the chances. It chose the latter alternative. Brown did not induce it to make this choice. The company made its own choice with its eyes open, and with full notice of Brown’s claim, and it has ever since continued to follow it against the protest and in spite of the notice of Brown to it to desist. One who, with full knowledge of the patentee’s claims of infringement, and against his protest, continues to trespass, cannot, on the ground of the estoppel or laches of the patentee, successfully defend a suit for infringement brought, or a motion for a preliminary injunction made, within any reasonable time. Repeated wilful trespasses establish no right to their continuance. And mere delay by a patentee to bring his suit or to apply for his preliminary injunction for any reasonable length of time after an infringer is informed of his trespass, unaccompanied with such acts of the patentee and such facts and circumstances as amount to an equitable estoppel, will not deprive him either on the ground of laches or of estoppel, of his right to a temporary injunction or to a recovery.’

“ ‘Now, I have excerpted and handed to your Honor, I presume some six or eight cases to the same effect, and I will turn only to the last to show that the same rule is applied and recognized in California as it is in all of the Cir-

cuits throughout the country. This case, *Brush Electric Co. v. Electric Implement Co.*, I believe it was, Northern District of California, an opinion by Judge Sawyer, who said:

“It is, earnestly, urged, also, on the part of the defendant, that laches of the complainant in enforcing its rights against the wrong-doer, should estop it from insisting upon obtaining an injunction *pendente lite*. This doctrine of laches, as I understand it, is, generally, applicable to preliminary injunction, only. When, upon a final hearing a party, clearly, appears to be entitled to an injunction, unless he has been guilty of laches, I apprehend, that, as a general rule, the injunction, as a part of his complete remedy, would not, ordinarily, be denied on the ground of laches alone. It is quite possible, that a case may arise, where laches, surrounded and attended by other qualifying circumstances, may render it inequitable to grant an injunction, as a part of the relief afforded at the final hearing. But, if so, this is not a case of that class. When it seems apparent, as in this case, after repeated exhaustive examinations of the patents that an injunction at the final hearing is inevitable, it appears to the court that an injunction, *pendente lite*, should be granted.’

“Now, in our present case there has been no showing, no intimation of or suggestion that any conduct, either affirmative or negative, as by silence on the part of the plaintiff, has led this defendant to invest a cent, to consume time, energy, money, to do anything whatsoever which could be regarded as to his detriment if the preliminary injunction motion herein be granted. That, I conceive, of course, disposes of the matter of the alleged technical estoppel by laches, and that only.

“It does not reach to the broader question of whether, in view of the plaintiffs’ diligence, such as it has been, or its lack of diligence, such as is claimed to be true of it, whether the plaintiff is entitled now to an injunction and whether, in view of the fact that there was this delay from

June until the present time in the hearing of this motion, that is compatible with the contention which the plaintiff now makes, that it will be irreparably injured if this preliminary injunction be not granted; and it is to this second and broader aspect of the matter to which I wish now to address myself.

“In doing that—and I say, as I think the court understands that I mean now to convince your Honor—that unless this injunction is granted at this time there will be an irreparable injury to the plaintiff. And I shall now, to convince the court that despite the so-called delay, that the plaintiff is still entitled to a preliminary injunction just as, for the sake of argument, it must be conceded it would have been entitled to if the court had heard the matter on May 11th, when the order was originally made returnable, or upon some date in June, 1931.

“Now, to go into that matter of this alleged irreparable injury, it will conserve time and, I think, be necessary to state something of the history of this patent and of the litigation which has preceded this present suit, and of the situation in which the plaintiffs now find themselves as a result of this history and of this litigation.

“When automobiles came over the horizon some thirty-five years ago, the custom was frequently to repair those old automobiles generally at the side of the road or in the back yard, and the man who oiled or greased or repaired the car usually wormed his way underneath it in the mud or in the grass and on his back. A few years later it became the more common custom and practice to use a so-called dolly, a little board with four casters at the corners, and a man could lie on that board and wiggle himself about under the car in order to gain access to the parts requiring service or attention. A few years later it became the common practice in public garages, at least, to provide a so-

called pit; in other words, a long slim hole in the floor, four or five feet deep—

“The Court: Yes, we are familiar with the pit idea.

“Mr. Williams: —astride which an automobile could be driven, into which it sometimes fell and into which people frequently fell. It became filled with oil, dirt and grease; it was dark and generally unsatisfactory, but for the time, the best thing that seems to have been known. Still later, a few years, came so-called greasing racks, which essentially comprised a pair of elevated planks or boards, three or four or five feet up in the air, and an inclined runway by which an automobile was driven onto these boards, and then the mechanic wormed his way through the crisscross trestle work to get first at one part and then at another part of the automobile to be serviced.

“Now, as contrasted with these devices in the commercial art prior to the advent of Lunati patent in suit, it may be worth your Honor’s time to step here for a moment, because I can demonstrate in a minute what this patent covers, as we have here a small model conforming exactly to the disclosure of the patent in suit.

“Mr. Blakeslee: We never have seen this; it has not been offered or identified, and we know nothing about it.

“The Court: Let it be marked at this stage as a complainant’s exhibit.

“Mr. Williams: Exhibit 101 was the last one of, I do not know, how many. Is that satisfactory? We have some thirty or forty exhibits.

“Mr. Blakeslee: Merely for the purpose of illustrating the argument.

“The Court: For the purpose of illustrating the argument; Plaintiffs’ Exhibit No. 101.

“Mr. Williams: I do not want to leave this here because I am interested in other cases where I shall need it.

“(Plaintiffs’ Exhibit No. 101.)

“(Whereupon court and counsel retired to the far end of counsel table where demonstration of Plaintiffs’ Exhibit 101 takes place.)

“Mr. Williams: An automobile requiring servicing is driven onto these rails which can be turned in any direction. The admission of fluid pressure into a cylinder in which there is a plunger lifts the automobile in that manner. The rails are open at either end, so that a workman can walk easily at this height (illustrating) under the automobile, see, repair, grease and perform whatever service may be required, wash, if he desires, the underbody of the automobile, rotate it in such a way that light strikes the parts that he wishes particularly to see. The thing occupies little room in the corner of the yard or the garage. When the servicing has been completed, the withdrawal of the fluid pressure from the cylinder, permits the rails to descend, whereupon the automobile may be driven off in the same or any desired direction. This structure corresponds, as I have said, with the disclosure of the Lunati patent, and in every essential principle with the automobile lift as manufactured and sold by Lunati’s license, the Rotary Lift Company. The Rotary Lift Company—

“Mr. Blakeslee: Your Honor, I think any demonstration for the purpose of this argument should be made from the patent itself.

“Mr. Williams: I shall not be able to anywhere nearly finish my presentation in an hour or an hour and a half if there are to be too many diversions. I am willing—

“Mr. Blakeslee: I do not think that is diversion. I think that is a *sine qua non*.

“Mr. Williams: I am willing to view the model, and—

“Mr. Blakeslee: You asked to show the model, explain a model, and the patent, it seems to me, is the thing the court should see, at least with the model.

“The Court: Let us proceed now.

“Mr. Williams: If your Honor will compare the drawings of the patent with the model, I think you will find they correspond as nearly as mechanics can make them alike, as shown by the papers. The Rotary Lift Company, Lunati’s licensee, has manufactured and sold these lifts with their superstructures, so-called, both of roll-on type, where the wheels ride onto these channels, and of the free-wheel type, where the automobile is driven over a pair of rails spaced not quite as far apart as are the wheels of the automobile, and where, upon the elevation of the piston, the rails engage the axles of the car. This has the advantage that the wheels are now free to be rotated for brake service or washing. There are some people who prefer this form and some who prefer that form. They are essentially alike, in that in both instances there is the vehicle supporting means, as the claims of the patent define it. Here again, upon the completion of the servicing operations the car may be lowered on the rails to the ground and driven off.

“What there is in this box is, of course, as one might suspect, the cylinder and the piston and air pump whereby we might pump up our pressure, and a tank containing oil which may be forced into the cylinder, either near the top or the bottom, in such a way as to create fluid pressure below the piston in order to elevate it.

“Now, that structure is a simple one. The drawings of the patent disclose it; the claims in suit, Nos. 2, 3, 7 and 8 define the combinations involving the piston, the cylinder, the superstructure for supporting the vehicle. Now, this combination—

“The Court: Are you finished with the demonstration?

“Mr. Williams: Yes, unless there is some occasion to revert to it, which I think there will not be. That demonstration was, on a small scale, doubtless what your Honor has seen at small service stations and garages throughout

the country. That lift, since they were first introduced, has had a tremendous commercial success. That combination of the Lunati patent, simple as it is, was an invention on what may be called the happy thought, or the happy flash order. I do not know just how, when, or where Mr. Lunati first conceived of this invention, but I am willing to concede it may have come about in some such fashion as this: Mr. Lunati, who was a garage man merely—a good one, to be sure, one who had been a sergeant in the army in France and there had serviced automobile trucks of the Commissary Department, hundreds of them—

“Mr. Blakeslee: There is no record about that, if the court please, as to his war service.

“The Court: We understand, this is just a matter of argument to illustrate some point or other, and not as evidence. You may proceed.

“Mr. Williams: Lunati may have come by this thing in this way: He may have seen a hydraulic elevator, a hydraulic sidewalk elevator or a hydraulic elevator carrying a cage or a platform to the top of a tall building; familiar, as he was, with the servicing of automobiles, familiar, as he was doubtless, with what had been used and proposed for this underbody greasing and washing, he may have seen that plunger elevator and said (snapping fingers), ‘By golly! If I were just to take the cage off the top of that piston, take that platform off, leave off those guide rails that run up and down the side, and instead of that, if I were to put on there a vehicle support, a pair of rails, long slim rails with nothing in between them so it is all open under there, those rails that would come up to catch the axles of the car or the wheels, lift that up four or five feet, why, a man could walk right under there, look up to get at everything and see everything, and that would certainly be better than anything that has ever been used for that purpose before.’ That may have been all there

was to it and, finally, that is about all there is to it. However he may have come by it, whether he saw a cotton bale press, hydraulic elevator, steam-engine cylinder—I don't know what—the fact of the matter is, of course, that the several elements which enter into this combination must concededly be old, each and every one in and of itself; nothing new about the cylinder, the piston, the rails, any of these things separately. The new thing is the combination. And the fact that each of the elements separately is old, of course, does not mitigate against the validity nor enforceability of the patent. I think I can quote exactly what the Supreme Court of the United States said in defining a patentable combination, in the case of *Leeds & Catlin v. Victor Talking Machine Co.*, 213 U. S. 325; the court said, speaking of patentable combinations, of course, a combination is a composition of elements, some of which may be new and others old; and he emphasizes, now, 'or all old, or all new.' It is, however, the combination which is the invention and it, the combination, is as much a unit in contemplation of law as a single non-composite element.

"Now, I concede, and it is unnecessary for counsel to consume one day or three days in showing to your Honor the several elements separately of this combination in the prior art. Concededly, every one can be found there. In fact, you can find not only the piston alone, but you can find a piston in a cylinder, that much of a complete combination you can find here. You can go through the combination element by element and find every one of them in such things as hydraulic elevators, cylinder, piston and platform, all closed on top so that it won't support a vehicle in the sense of this patent, so that you can get in or under and see, not in the sense of the claim, which specifies that the rails are long or relatively long and relatively free, as the claim says, from—what is the language there—from accessories, trestle work, and one thing and another—I

forget the words, but at any rate, the claim means that the rails are free from obstructions where they will interfere with the ingress and access of a man to the underbody of a car. And, as I say, this new combination of old elements, as are most new machines, airplanes, radios, whatever you please, they are combinations, and almost invariably new combinations of old elements, and this Lunati combination is like the commonplace combination patents in that regard.

“Now, after Lunati had evolved this idea by mere happy thought or flash, as I believe, he applied for his patent, I think it was about September, 1924, showing this combination, claiming it. His patent issued the following year, in 1925. Meanwhile Mr. Lunati or some friends whom he interested with him organized the other one of the plaintiffs here, namely, the Rotary Lift Company. The affidavits show that the company was capitalized for \$50,000 and, presumably, that amount of capital was paid in in cash—not more, certainly. Beginning in 1925 this Rotary Lift Company, as Lunati’s exclusive licensee under this patent, began to manufacture and sell these lifts. The affidavit shows that ninety-nine of them were sold in the first year, that is, in 1925; that in the next year, 1926, nine hundred odd were sold; in the next year, a thousand odd; in the next year, thirteen hundred and something; in the next year three thousand two hundred and something. That is the last year, 1929, referred to explicitly in the affidavits. The sale of those things, where a heavy automobile was shot up on the end of a little piston, four or five feet in the air, was not easy of accomplishment at the outset for reasons which I think will be obvious. People were inclined to suspect the efficacy and the safety of such a contrivance, but with the demonstration of the successful operation of ninety-nine the first year and of nine hundred the next, the fact is that these automobile servicing lifts, these simple

devices such as I have explained, have come to replace every other known means for performing such a servicing of automobiles. Some people, to be sure, get along with none. In fact, they crawl on the ground or the floor. There are some pits which still survive, but I think it is safe to say that no one now builds a new pit or a new rack, and that when any device of any kind now which is installed or built for the underbody servicing of an automobile, it is this device and no other.

“I cannot—of course, there is a limited field, a limited market for the sale of these things, but within that field I do not think it is possible to conceive of any new device which has more completely swept that field than has this Lunati lift in the field of automobile servicing. The pioneer work was expensive. Ninety-nine lifts won't support a manufacturing company. The Automobile Rotary Lift Company, as it was then named, was obligated by its contract with Lunati to pay him royalty of \$50 on each lift that it sold, and it paid that. Later that royalty was reduced to \$26 and it paid those royalties to Lunati. Still later that royalty was reduced to \$10.40 per lift and it paid those royalties; and it was, of course, handicapped, as compared with others, by its obligations to so pay these royalties. It became an element of cost or expense which the Rotary Lift Company had to meet.

“Now, as usually happens when someone invents a new electric sign or radio, or what you please, that immediately evokes such widespread and general speed of adoption, to the exclusion of everything else, why, there jump into the field a perfect horde of bootlegging infringers. I am not using the term ‘bootlegging’ opprobriously, I do not mean to say that. These concerns that went into the manufacture of these devices are what, in the jargon of the patent lawyers, are commonly called ‘pirates.’ I call them boot-

leggers instead, but they were concerns, at any rate, which had no patents of their own; concerns which had contributed nothing to the evolving of this idea; concerns which had contributed nothing to the missionary work which had disseminated these devices throughout the country to a limited extent, but to an extent sufficient to satisfy the automobile servicing world, that here at last was the thing to do the business. And to compete with this little \$50,000 company of Mr. Lunati's, there came into the field, for example, the Curtis Manufacturing Company of St. Louis, a concern thirty or forty or fifty years old, engaged throughout that long life in the manufacture and sale of pneumatic and fluid pressure operating hoisting equipment and air compressors for use in conjunction therewith, a concern capitalized at some millions of dollars, enormous factory, enormous sales force, they began to manufacture and sell automobile lifts following in every essential respect these lifts exactly, to an extent such as I think undoubtedly they were, as was the defendant's here, copied from seeing one of the plaintiffs' lifts. There embarked in this business such concerns as the Lacer-Hallett Corporation of Los Angeles, an old established concern in the sale of garage equipment, and represented by Mr. Parke who is here today, and Mr. Dustman, the president of the company is here—I hope he won't feel too badly if I call his company one of these pirates who embarked in this infringement of this device. There was the American Chain Company which for years sold the Weed chain, with which every automobilist is familiar, a concern capitalized at some tens of millions of dollars, and so on; I might name others. These were the concerns, and such were the class of concerns that embarked in this competition with Mr. Lunati and his little company.

“Now, despite the fact that that company had had to

expend its resources in making lifts, in advertising lifts, in doing the missionary work necessary to sell one here and one there, and the work necessary to convince people that these simple devices would do the trick, in addition to the expenditures which it had had to make along those lines it had heavy patent expenses to meet, not only in the form of royalties, but in expense of litigation because the spirit of this Rotary Lift Company was not daunted, although it did not have vast sinews of war when the Curtis Manufacturing Company, the oldest and strongest company up to that time entered the field, why, Lunati and the Automobile Rotary Lift Company brought a patent infringement suit against the Curtis Manufacturing Company, or, rather, against a concern in Memphis, Tennessee, known as Orgill Bros., a jobber there, which happened to be the home of Mr. Lunati and the Rotary Lift Company and where, obviously, the suit could be conducted at less expense to them than if they had gone into some more remote district. That suit, as shown by the record and by the ultimate decree, was defended, not by the relatively disinterested jobber, Orgill Bros., but by the Curtis Manufacturing Company; and they retained for the defense of that suit one of the most respected and one of the ablest patent attorneys and young men in this country, Mr. Paul Bakewell of St. Louis. The trial of that case was referred to a Master, with an order to report both the law and the facts, and the trial of that case occupied ten days or eleven days of the Master's time, after which elaborate briefs were filed and eventually an elaborate report by the Master; made the subject of exceptions to the court, a two or three day argument before the court resulted in confirmation of the Master's report and the entry of a decree holding claims 2, 3, 7 and 8, which are the claims here relied upon in this Lunati patent, to be valid and to be infringed by the lift

which had been manufactured by the Curtis Company and sold by its jobber Orgill Bros.

Now, that litigation against the Curtis Company, instituted, as I recall it, in June of 1928, resulted in this hearing before the Master in January, 1929, and Master's report in about May or June, I think it was, of 1929, and opinion by the court in August of 1929, and the entry of the interlocutory decree holding the patent valid and infringed on October 9, 1929.

"The Curtis Company, or the defendant, appealed from that decree, but before the appeal was very far advanced the Curtis Manufacturing Company approached the Rotary Lift Company and applied for a license under this patent. Negotiations were had which resulted in the granting of a license to this powerful competitor, the conditions of that license being, among other things, that the Curtis Company should pay a royalty at the rate of \$20 per lift. These lifts sell at a price averaging about \$200 each. The appeal was, of course, then dropped; it was not further prosecuted, with the result that the interlocutory decree became final as of November 18, 1929. Meanwhile, of course, other of these large infringers, these powerful concerns had come into the field to make and sell substantially identically the same devices. A second one of, perhaps, only second prominence at that time was the Oildraulic Company of Memphis. It sold those lifts through a big marketing concern, automobile garage marketing concern known as the Marketing Company of Minneapolis.

"Mr. Blakeslee: If the court please, that is not pleaded in the complaint, and the established rule is that prior litigations of a patent which are not pleaded shall not be considered on a motion for preliminary injunction. I can show the court that law, the purpose being that plaintiff may have notice wherefrom to investigate,—

"Mr. Williams: If the court please, that goes—

“Mr. Blakeslee: —any other cases. The only one pleaded is this Orgill-Curtis Company’s, which counsel is referring to.

“Mr. Williams: If the court please, this suit that I now refer to, the one against the Oildraulic Company resulted only in a consent decree. Now, we do plead that there has been a general acquiescence in this patent and an acknowledgment of it, by virtue of the many licenses which have been granted to powerful concerns. Counsel is right in saying that upon motion for preliminary injunction, in so far as it rests upon a prior adjudication at final hearing must rest and does rest upon the one in the Curtis suit, but when it comes to the matter of general acquiescence, our affidavits do refer to these licenses granted to these many other concerns; and the history leading to the granting of these licenses, that is the matter to which now I address myself and that, as I expect any moment to show, is the most important aspect of the irreparable injury with which we are concerned here.

“I do not want the court to misunderstand me, and I will say once and for all, therefore, that the only adjudication at final hearing is the one in the Curtis case which should be alluded to. There was, then, this suit commenced, the preparation for it commencing almost immediately after the entry of the final decree in the Curtis case on November 18, 1929, the preparation for a suit against the Oildraulic Company. That suit was filed, if I recall rightly, on the 19th of February in the following year. That would be four or less than four months after the termination of the suit against the Curtis Company. A suit was commenced against the Oildraulic Company. The Oildraulic Company came to the Rotary Lift Company, proposed to take a license. The record in the suit shows here that a consent decree was entered in favor of the plaintiffs, holding again this patent to be valid and infringed; and I

do not emphasize that, of course, as the legal prerequisite to the grant of the preliminary injunction here. I do stress the fact that this second largest concern, the Oildraulic Company, acquired a license under this Lunati patent in the latter part, I think it was, of February or early in March of 1930 and terminated the suit by the entry of a consent decree, the license again providing for the payment of a royalty to the Rotary Lift Company of \$20; and that was at a time when the Rotary Lift Company was obligated to pay Lunati a royalty of \$10.40 per lift.

“The Court: Let us see, that was a suit against what company, again?”

“Mr. Williams: The Oildraulic Lift Company, O-i-l-d-r-a-u-l-i-c, a coined name; Oildraulic Lift Company. And the important point, I say, is that they took license, not that they consented, because that should have no probative force here, not that they consented to a consent decree, but that a consent decree was entered. That, I say, was in February of 1930, and as I go along I want your Honor to see how diligent we have been in prosecuting these infringers.

“Infringements had been commenced by another concern named the Joyce-Crittland Company of Dayton, Ohio.

“The Court: What is that again?”

“Mr. Williams: Joyce-Crittland Company of Dayton, Ohio, J-o-y-c-e hyphen C-r-i-t-l-l-a-n-d Company of Dayton, Ohio. That was an old, old manufacturing concern, worth several hundreds of thousands of dollars, engaged in the manufacture of hydraulic lifting devices for use in and about railways and railway repair shops. They had taken the manufacture and sale of a lift for automobile servicing substantially identical with those of the plaintiffs' here, and they were sued, as I recall it, on the 7th of April, 1930. That was, I think, less than two months,—about five or six weeks after the termination of the suit brought against

the Oildraulic Company. And at about the same time two suits were brought against jobbers or users of lifts made by the Globe Machine and Manufacturing Company of Des Moines, Iowa; one against the Mitchell Goldbert Sales Company of New York, and another against a jobber in Memphis whose name escapes me—the Mills-Morris Company of Memphis, Tennessee.

“In these suits, as we later learned, there was a considerable consolidation of defense interests; that is, there was a good deal of assistance, moral, at least, and counsel, and I think contribution of money back and forth to assist in the defense of some of those suits for the benefit of all of the defendants, with the result that upon a motion for a preliminary injunction there was a suggestion that some depositions be taken, which were taken; and, in fact, many depositions were taken. That thing ran along very, very actively from the time the suit was filed on April 7th until the summer of 1930.

“Mr. Blakeslee: All those matters, if the court please, are not in the showing. We have no opportunity, nor have we had, to test them out or confirm them or prepare to deny them; and I think if counsel is proposing to argue this matter in an hour and a quarter or an hour and a half, he should at least speak to the matters which are before us and which we have had a chance to test and investigate.

“Mr. Williams: Why, there is reference to the commencement of these suits and the disposition of them.

“Mr. Blakeslee: All these matters are not in the complaint, nothing about all these things whatever.

“Mr. Williams: I agree that counsel is right that the bill of complaint does not tell this story; of course not. The affidavits do.

“Mr. Blakeslee: No such showing.

“Mr. Williams: The affidavits do.

“The Court: May we suggest, the court will find it diffi-

cult to follow the argument if there is a continuation of these interruptions. We should like at least to hear both sides, but to hear them in some logical sequence.

“Mr. Williams: I, perhaps, am dwelling a little unnecessarily in detail upon the course of procedure in my reflections as to what happened, but the gist of the matter there is, which the affidavits certainly set forth, that in the summer of 1930 after very active skirmishing, this Joyce-Critland Company approached the Rotary Lift Company for a license, as did also the Globe Company and as did also at the same time, or in association with these gentlemen, Mr. Dustman’s company here, the Lacer-Hallett Company of Los Angeles, and the Easy Auto Lift Company of San Francisco. There were some accretions to the list, I think, as the negotiations proceeded and, I think, included ultimately also the Hollister Whitney Company of Quincy, Illinois, and U. S. Air Compressor Company of Cleveland, Ohio. It is possible that I have failed to name some one. Do you recall, Mr. Dustman, if I named them all? At any rate, the new ones with the old ones made a bunch of eight big, strong manufacturing concerns who applied to the Rotary Lift Company for sublicenses and to whom sublicenses were granted, now under a changed condition as to royalty. No more \$20 per lift, but now at the rate of \$10 per lift, out of which \$5.20 per lift was paid to Lunati, which he agreed to accept in lieu of the \$10.40 which he formerly had had, and the \$4.80 going into the pockets of the Rotary Lift Company, and in the hope that it might meet the expense of some of the litigation which has ensued since.

“Now, those licenses to those eight concerns—of course, the Curtis license was modified so that it paid now the \$10 instead of the \$20, and so also the Oildraulic—those licenses were granted on the 5th of January, 1930. And I can tell your Honor, not because it is in anybody’s affi-

davit, but because anybody would know it if he reflects about it for a moment, that I was a very active negotiator with and for the Automobile Rotary Lift Company between the summer of 1930 and January 5, 1931, when nine separate and distinct corporations and their officers—I say nine because the Rotary Lift Company was, of course, one party to the negotiations—were reconciled as to a form of license mutually binding upon both and satisfactory to all. I felt on the 5th of January when that was signed that I had really accomplished a good deal during the six months which intervened between the first approach of the Joyce-Critland Company and the execution and delivery of those licenses.

“Now, I come to the thing that I cannot too strongly emphasize for the purposes of what I shall have to say a moment later relative to this matter of irreparable injury and the plaintiffs’ imperative need of a preliminary injunction now. Here was this little Rotary Lift Company into which \$50,000 had been put and an idea, and which had been carrying on this litigation against these million dollar corporations one after another, after another, after another, exhausting and depleting its resources in the missionary work necessary to sell the first ninety-nine lifts and then to sell the next nine hundred lifts. The company has never paid one dividend up to this day, never one.

“I emphasize now the facts as to the form of the sublicenses which were eventually agreed upon and executed, and of which a copy is on file here in answer to some interrogatory. Those sublicenses, of course, had to meet this situation. That there was the Rotary Lift Company which had done this pioneer work, made the expenditures, had only \$50,000 to start with, never paid a dividend, it must be protected—

“Mr. Blakeslee: If the court please, I do not want to interrupt but—

“The Court: Now may the court offer this suggestion: We prefer that counsel avoid further interruption. We shall indicate when we desire to hear from counsel.

“Mr. Blakeslee: I do not think that counsel should state matters that are not in the record.

“The Court: Just a minute. This court will insist upon counsel refraining from further interruption.

“Mr. Blakeslee: Does the court require that I then mention every misstatement that is not competent in the record?

“The Court: No, no, that is not an argument. It is not presentation of any evidence, hence we ask that you refrain from further interruption.

“Mr. Blakeslee: I will point out every departure from the record later.

“Mr. Williams: Those sublicense contracts had to protect, naturally, the Automobile Rotary Lift Company against what the Curtis Company might do. That is a matter of common sense. No affidavit says anything about it, but the record does show that the sublicense contract entered into made this provision: That the Automobile Rotary Lift Company as then known—its name now has been changed to Rotary Lift Company—should have the right to name, fix the price at which these lifts should be sold and to make out a schedule of those prices and promulgate those prices to all of its sublicensees; and the sublicensees obligated themselves, as also did mutually the Rotary Lift Company, not to sell lifts at prices less than those so scheduled and promulgated from time to time, upon 60 days' notice by the Rotary Lift Company. That is one point that I stress. That document is a long printed book, thirty pages as I recall. I stress that point. I stress the fact that all of the sublicensees were obligated to pay royalties to the Rotary Lift Company at the rate of \$10 per lift, but most of all I stress this point, and it was a thing which these powerful concerns were in a position to demand

certainly—I think to compel—at any rate, the contract when entered into gave to each and every one of those sublicensees the right absolutely at the expiration of two years, or any time thereafter, to cancel the license for any reason or for no reason, and it provides also that if and when the licensee so cancelled, he should then be free in any suit or proceeding alleging infringement to make any and every defense whichever he might have made—no estoppel.

“Now, why was it? Why was it that we acceded to that rather compelling demand? We had a patent which had been adjudicated. Many of these people thought they had new or other or different defenses which might or might not be good; that some day somebody might have or find some defense or might have a case before some court to whom this patent would appeal as not being a good one, it might be invalid. Then, of course, these concerns did not want to be left with the obligation of having to pay royalties and maintain a minimum price in competition with other people who might be free to make such prices as they chose and who could compete without the obligation of paying any royalty.

“Now, why was it that I, as counsel for the Rotary Lift Company—perhaps it would be more proper for me to inquire: Why was it that the Rotary Lift Company consented to enter into such license contracts as this? Well, here again, the affidavits do not answer the question, but I think common sense does. The Rotary Lift Company, with its little \$50,000 of capital spent in this pioneer work, could not have afforded to litigate all those big concerns one after another. It just could not have done it. And, furthermore, I told Rotary Lift Company—and I think I had a right to—certainly, they followed my advice—that I had faith that the federal courts of the United States could be relied upon to enforce the law, and what I meant by that was this, and I almost can quote: The law is and

the courts say it is a controlling principle of equity jurisprudence—I want to read one of the cases so there will be no mistake about it, in a moment—that where the circumstances are such as they are in this case, then a preliminary injunction and the grant of it becomes a matter of right to the plaintiff, to be granted to be sure, in the exercise of a judicial discretion by the court, but upon circumstances such as this record and history presents, it is a matter of right, and with that right, unless there be some new defense which convinces a court that, had it been presented in the earlier case, it must have availed to a contrary conclusion, I relied upon the law which says that preliminary injunctions will be granted.

“Now, when does that two years of time expire? That two years expires two years from the 5th of January, 1931. That is a little more than a year from now, fourteen months. If, within that interval of time, the Rotary Lift Company can afford to its licensees a large or a substantial measure of protection and security, those licenses won't be cancelled; and if we cannot, if we cannot secure injunctions, why, those licenses almost inevitably must be cancelled. I could not find fault with Mr. Dustman of the Lacer-Hallett Company, if at the end of that two years, they were to cancel if this and other preliminary injunction motions cannot, under the law, be granted and relied upon as to being granted, for this reason: Here is the Lacer-Hallett Company right here in Los Angeles selling a lift under our patent, under our license, under a contract which obligates it under a penalty, I think at the rate of \$100 per lift if it violates, to sell its lifts at not less than the minimum price which we establish; and for a lift of the kind sold by the defendant here, that price is, as I recall it; \$192.50 plus its freight charge of \$20—net \$192.50. Here on the other street in Los Angeles is Herman Sommer selling substantially the same identical article at \$180, \$160,

\$120, I don't know, at any low price that he finds it necessary to make in order to sell his lift; and, furthermore, the Lacer-Hallett Company is obligated by its contract to incur for each of its lifts the added cost of \$10 in a royalty, and here is Mr. Sommer with no obligation to pay that \$10. And, of course, that situation here in Los Angeles is duplicated in the case of the Easy Auto Lift Company at San Francisco, another licensee which has to meet two parties that we have brought suit against there, Foster Bros. (?) and American—I forget its exact name—in Tacoma, Washington. And so I may go into Kansas, for example, where there were infringements by the Pioneer Company, K. & M. Supply Company, against whom we brought suit and who consented to the entry of decrees very promptly after suits were commenced. Also, that is in the field or territory of one of our licensees, the Curtis Manufacturing Company. Another one in Des Moines, Iowa, the Globe Manufacturing Company, up in about Kansas City, Missouri, and Kansas City, Kansas, where these three or four infringers were, one of them the Clear Vision Pump Company, against whom we brought suit for infringement on this patent in about March, I think it was, of this year and against whom we argued a motion for a preliminary injunction in April of this year, and wherein Judge Reeves rendered an opinion in September, late in September of this year, granting the preliminary injunction. And here, if your Honor is interested, is the copy of Judge Reeves' opinion granting that motion for preliminary injunction, and thus relieving the Curtis Company and the Globe Company in that territory from the infringement of this patent and the competition of these unlicensed concerns.

“That situation which the Lacer-Hallett Company confronts here is, in substance, duplicated all over the country. Now, I say that if these licensees cannot be relieved of this unbridled and unrestricted competition of such free-

lances as Sommer, as he now is, why, they are inevitably going to cancel these licenses the first possible opportunity. They have given us two years to prove that we could afford them protection. If we cannot, they are going to cancel those licenses and then they are free to defend on any and every ground. Now, this little Rotary Lift Company and Lunati simply cannot afford the cost of litigating against those and all of these other concerns, particularly not if it is deprived of royalties, and the net result will be this if we cannot here and now in this district, and about now in some other distant districts, procure the grant of these preliminary injunction motions: That the resources and substance of the Rotary Lift Company will have been so far dissipated in an effort to maintain what the courts have uniformly held to be its rights, it will so far have dissipated its resources that it simply will have to go out of existence.

“Now, it is all very well for counsel to suggest in this case and in all of these cases, as is always done, that the defendant is responsible in damages, got lots of money. Sommer claims to have \$111,000, I believe, net worth, damages which we may possibly recover a good many years from now after spending probably more than the damages amount to in litigating to a point where we have a judgment, but the simple plain fact of the matter is that the Rotary Lift Company can't last long enough ever to prosecute any case to a point where a judgment for damages can be had, unless meanwhile it has such protection as we are asking for here and now. And I say that that indicates, at least, the kind of irreparable injury which I think should appeal to the court as against the equities urged on behalf of the defendant, to the effect that Mr. Sommer has this nice business, partly in these lifts and partly in air compressors and partly in greasing equipment and partly in automobile washing equipment, and to sell all of

which, he says, is in some way enhanced and fostered by the fact that he is selling these highly desirable lifts under the Lunati patent, or infringing, as we claim, the Lunati patent.

“I did not want to spend all of my time in emphasizing the character of the situation of the undoubtedly irreparable injury which we will suffer and which no amount of damages can—well, I won’t say that ‘No amount of damages’ can ever be paid, but it is perfectly evident to me that no amount of damages can ever be recovered by that little concern unless meanwhile it has the protection to which I think the law clearly entitles it.

“Now, one other word and I shall have finished with this matter of irreparable injury and diligence. I think we have shown diligence—

“The Court: We shall be obliged to take a recess at this time. Will counsel indicate how much further time will be required on behalf of the complainant?

“Mr. Williams: I have taken how much, an hour and ten minutes?

“The Court: Approximately that.

“Mr. Williams: I can’t finish, I am afraid, in five minutes more. I think I could in twenty.

“The Court: We will take a recess until 2 o’clock.

“(Whereupon, an adjournment was taken until 2 o’clock p. m. of this day.)

“Afternoon session, 2 o’clock.

“Mr. Williams: Assuming that the plaintiff was entitled to a preliminary injunction in June of this year, counsel for the defendant referred this morning, as he did three weeks ago or four weeks ago today, to a circumstance which he urges as depriving the plaintiff of that right on this 9th day of November. The circumstance to which counsel alludes is only one of two closely concomi-

tant circumstances, the other one of which is never alluded to by counsel in so far as I have been able to hear him or to read the transcript of his presentation three or four weeks ago; and it seems to me that the one, at least, completely vitiates the effectiveness of the other if, indeed, it does not controllingly supersede it in importance. I think I have said to your Honor that the plaintiffs first learned of the defendant's alleged infringement on the 28th of January, 1931. The bill of complaint in this suit was filed five weeks later, on the 4th of March, 1931. This motion for a preliminary injunction was filed on March 27th, three weeks and two days later, March 27, 1931; and at that time the court entered an order upon the defendant to show cause why the preliminary injunction should not issue and made that 'show cause order' returnable on the 11th day of May, 1931.

“Now, on or about the 2nd day of April—of course, first, that order to show cause fixed times when reply affidavits were to be filed, the defendant's affidavits and the plaintiffs' affidavits—on or about the 2nd day of April the court entered an *ex parte* order, an order which was procured without any consultation with any representative of the plaintiffs and without any notice whatsoever to the plaintiffs, and that order reads as follows:

“‘Good cause there unto appearing, it particularly appearing that Raymond Ives Blakeslee has been retained.’

and so on, and as the order says,

‘has initiated extensive work in preparation for said motion and the defense of this cause, including investigation of prior art, and requires ample time for a full consideration of this case and the papers and files therein’—

all of this was, of course, more than six weeks prior to the return day of the order on May 11th, and then he says, or the order says or recites:

“‘That he is required to be in attendance in the United States Circuit Court of Appeals in the Tenth Circuit at Wichita, Kansas, the middle part of April, 1931,’

a month before the return day,

‘and he has engagements east of there during the next week. Having so represented to the court and having represented that no proper and suitable time remains for preparation of opposition to the said motion for preliminary injunction in conformity with the times now provided by order of this court, it is hereby ordered,’

and then the return day of the order was postponed to June 1, 1931, and the times for filing affidavits were correspondingly postponed and extended.

“Now, as it happened—and this was all later made a matter of record here—I, who had been the one actively or active in all of this long line of litigation that I have referred to for the plaintiff, it happened that when the order to show cause was procured my associates were fully informed as to my engagements, and the return day for that ‘show cause order’ was made to conform with my freedom to be here to present the motion. And it was upon the basis of that information—I don’t know what was said between my associates and the court, but certainly the day then fixed, May 11th, fitted in with my engagements in such a way that I could have been here, would have been here and was anxious to be here to argue that motion. It was not, of course, until some days after this *ex parte* order had been entered—and I am not referring to this by way of complaint about the entry of this order, nor even of the fact that it was entered without notice or without consultation—what I do emphasize is this: I had a case involving ten patents which had been pending for a long time in the United States District Court for the Eastern District of New York in Brooklyn. The calendar in Brooklyn was

such that there were some eighty cases in advance of my case when the calendar was called on the 6th, I believe it was, of May, 1931, and due to the depression or for some reason, almost all of those cases evaporated without trial and precipitated the trial of my case, which was about the eightieth or eighty odd on the list, very much to my surprise, to be sure. The court learning that that was a long case which, as it eventuated, took fifteen or sixteen days of trial, peremptorily set the case for trial on a day certain, the 25th of May. As it happened, the trial commenced upon that day and continued until it was concluded; there was a slight interruption over a week-end, but it was concluded on the 10th of June, 1931. That made it impossible for me to appear here in support of our motion, or even to prepare, following the extended time for the defendant's papers, for the hearing of that motion on the 1st of June which was the postponed day to which the case was continued by this *ex parte* order.

“Now, this also had happened and this is set out in full in an affidavit which a little later was filed in support of the plaintiffs' motion for a continuance or postponement of the hearing on this motion for a preliminary injunction: For the past seven or eight years I have been afflicted with cataracts on both of my eyes. Those things had developed to a point where, beginning about three years ago, it had become impossible for me to read anything at all. An operation to correct those cataracts had, for medical reasons, to be postponed until the time was ripe for a series of operations, and I had learned in about the middle of this last spring that the time had arrived when those operations could be performed with a fair likelihood of success. Accordingly, I had made all of my plans, all of my engagements, and I had not a few, in such a way that I could devote this last summer to that surgical work.

“(Short interruption.)

“I went to Johns Hopkins University in June, I believe it was, for the final examination which led to the operations, the first of which occurred in accordance with these prearranged plans on the 22nd of July. They kept me in the hospital there for about three weeks, then I was out for a time, under injunction not to do any work at all. I went back late in July—no, late in August, and had another operation performed which kept me there again for some two weeks, and then I returned again in October; and it was not until the 13th of October that I was supplied with glasses because, after these operations, one cannot see anything more than light without glasses. It was on the 13th of October that I was given a pair of glasses and then it was, for the first time in three years, that I was able either to see one well enough to recognize him or able to read anything at all.

“Now, the precipitation of this trial in Brooklyn on the 25th of May and its continuation to the 10th of June interfered completely with some other court engagements which I had had to make for that interval and for the time immediately following that, with the result that I had to procure postponements of those other engagements and take care of them during the middle weeks of June. All of these matters are referred to in the affidavit which I sent to my associate here and which he presented to the court, in conjunction with a motion to have the hearing of this motion for a preliminary injunction continued more or less indefinitely and under an order which the court made, whereby either party might call up the motion for disposition ninety days hence—that would be late, I think, in September, any time following the end of September, and for hearing, I think it was upon thirty’ days or twenty days, notice—twenty days’ notice, I believe. The papers do not allude to the fact that I had long planned to be married on

the 6th of June, and I refer to it only because I do not want anyone to think I am concealing any of the facts which may have motivated me—I had planned to be married on the 6th of June. The trial in Brooklyn interfered with that. I was married on the 27th of June. I did take a hurried, much curtailed trip to Europe which took exactly three weeks from New York back to New York, but on the day I got back to New York I went to Johns Hopkins Hospital and I have been either there or hovering about there from that time until the 13th of October. It was in anticipation of the success of these operations that, on the 2nd, I think it was, of October of this year, we served notice to move for the setting of the hearing on this motion on the 9th day of November, although that date may have been fixed in part by the court. I am not sure that I recall.

“To summarize that matter, the facts are these: The plaintiffs and the plaintiffs’ counsel were ready, able and anxious to present this motion on the 11th day of May, at which time it was set. The postponement of the hearing from that date to a date in June at the instance of counsel for the defendant upon this *ex parte* application, and where we had no notice nor even opportunity to suggest that some other date would be necessary in order to meet the needs based wholly upon a court engagement at that time, there was no such opportunity, as I say, and the postponement of the hearing from the 11th of May until this date in June was the reason, the controlling reason and the only reason why this motion could not have been presented earlier than it is now being presented.

“Now, of course, it puts me in a somewhat embarrassing position to say to the court what is true, that this later postponement covering this summer period was to accommodate me. It goes without saying that it accommodated me in a matter which was almost vital to my professional

career, to say nothing of my happiness. I think the cause for the requested postponement was of as much weight and importance there, possibly as the reasons given by counsel for the defendant for asking for the first month's postponement. He had an engagement in the court in Kansas a month in advance of the date set for the argument; he had other engagements, he says not what, further east on—

“The Court: The court will interrupt here to say there is no occasion for going into any further detail on this feature of the case.

“Mr. Williams: I do not wish to go further. Your Honor means the circumstances for these delays?

“The Court: Yes.

“Mr. Williams: I take that, it, you mean on this question of laches or delay generally. If you do not want to hear more about that, I won't say anything.

“The Court: No.

“Mr. Williams: Then I am taking up my third point now. Does the court wish to hear this other matter, or is that ready?

“The Bailiff: No.

“Mr. Williams: It is not ready?

“The Court: No, government's counsel is not here.

“Mr. Williams: Very well. Now, I shall devote a few moments to the other merits of the motion for preliminary injunction. . . .”

Sept 1, 1925

P. J. LUNATI

1,552,326

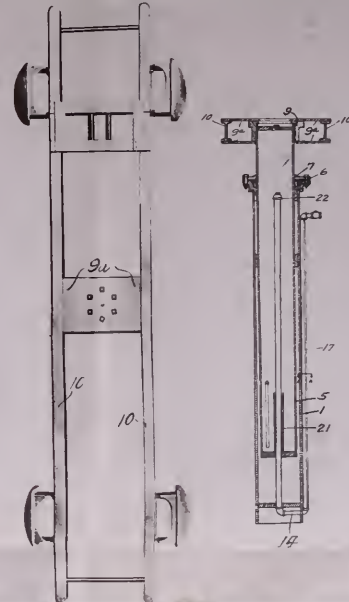
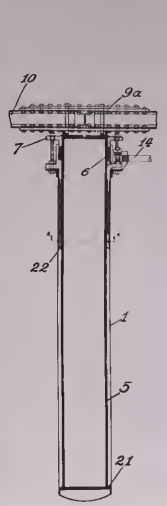
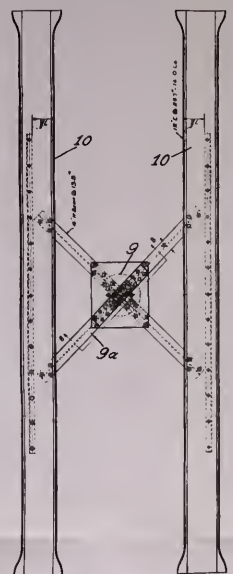
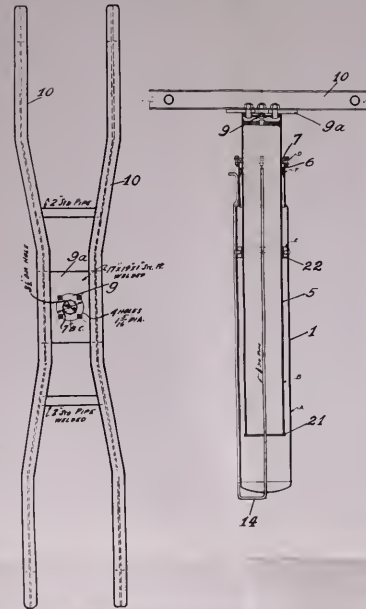
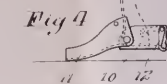
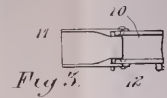
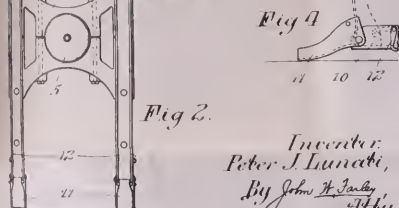
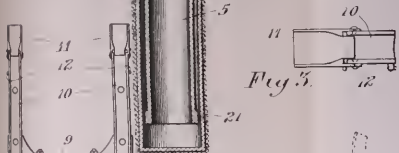
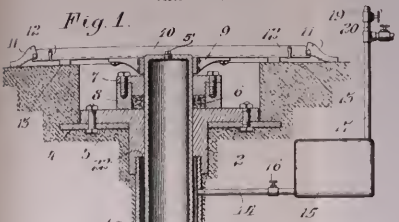
LIFTING DEVICE FOR MOTOR VEHICLES

Filed Nov. 28, 1924

Defendant's Comwel Hoist

*Curtis Lift held to infringe Lunati
Claims 2, 3, 7 & 8 in Orgill Suit*

*"Clear Vision Hoist" held to infringe
Lunati Claims 2, 3, 7 & 8 in Clear Vision Suit*



Inventor:
Peter J. Lunati,
By John H. Janney
Atty



The Doctrine of Laches Is An Equitable Principle, Which Is Applied to Promote, Never to Defeat, Justice. It Is a Branch of the Principle of Equitable Estoppel. Where a Patentee, By Deceitful Acts, Silence, or Acquiescence, Lulls An Infringer Into Security, and Induces Him To Incur Expenses or Suffer Losses Which He Would Not Otherwise Have Sustained, Courts of Equity Apply the Doctrine of Laches on the Principle That One Ought Not To Be Permitted To Deny the Existence of Facts Which He Has Intentionally or Recklessly Induced Another To Believe To His Prejudice. There Is Nothing of That Character in This Case.

Numerous decisions might be cited to show that delay such as of necessity occurred in this case is not laches. We shall, however, content ourselves with a quotation from but one authority, *Stearns-Roger Mfg. Co. v. Brown*, 114 Fed. 939 (8th C. C. A. 1902). In that case it appears that the patent in suit was issued March 22, 1892. In May, 1893 the patent owner notified the defendant or its predecessor of infringement. On January 4, 1897, plaintiff brought suit against another infringer, which suit terminated successfully for the plaintiff on October 8, 1900. The bill in the reported suit was filed April 24, 1901. The defendant charged laches in opposition to plaintiff's motion for a preliminary injunction. In passing upon this defense Judge Sanborn, speaking for the Eighth Circuit Court of Appeals, said:

“It is contended that the complainant was guilty of such laches that he was not entitled to a preliminary injunction. The patent in suit was issued on March 22, 1892. In May, 1893, the owner of the patent notified the manufacturing company or its predecessor that its Pearce furnace was an infringement, and in June that charge was denied. On January 4, 1897, Brown brought his suit against the Metallic Extraction Com-

pany, in which, after a protracted and expensive litigation, the validity of his patent was finally established on October 8, 1900. *Extraction Co. v. Brown*, 104 Fed. 345, 43 C. C. A. 568. The bill in this suit was exhibited on April 24, 1901. The doctrine of laches is an equitable principle, which is applied to promote, never to defeat, justice. It is a branch of the principle of equitable estoppel. Where a patentee, by deceitful acts, silence, or acquiescence, lulls an infringer into security, and induces him to incur expenses or suffer losses which he would not otherwise have sustained, courts of equity apply the doctrine of laches on the principle that one ought not to be permitted to deny the existence of facts which he has intentionally or recklessly induced another to believe to his prejudice. There is nothing of that character in this case. The manufacturing company was informed that Brown claimed its furnace was an infringement in 1893. It then had the option to retire from its manufacture and sale, or to proceed with it, and take the chances. It chose the latter alternative. Brown did not induce it to make this choice.

“The company made its own choice with its eyes open, and with full notice of Brown’s claim, and it has ever since continued to follow it against the protest and in spite of the notice of Brown to it to desist. One who, with full knowledge of a patentee’s claim of infringement, and against his protest, continues to trespass, cannot, on the ground of the estoppel or laches of the patentee, successfully defend a suit for infringement brought, or a motion for a preliminary injunction made, within any reasonable time. Repeated willful trespasses establish no right to their continuance. And mere delay by a patentee to bring his suit or to apply for his preliminary injunction for any reasonable length of time after an infringer is informed of his trespass, unaccompanied with such acts of the patentee and such facts and circumstances as amount to an equitable estoppel, will not deprive him, either on the ground of laches or of estoppel, of his right to a temporary injunction or to a recovery. Moreover, delay in prosecuting other infringers during the time while the validity of a patent is in litigation does not constitute laches.”

Defendant made no showing whatever that he had been misled in any way by the delay from June 29th until October 2nd of the hearing on the motion for preliminary injunction or that he might be or was injured in the slightest degree by this delay or that his status was in any wise altered during or because of the delay. The only party who suffered injury was the plaintiffs. Certainly these facts do not deprive the plaintiffs of their rights upon the ground of equitable estoppel because of "laches."

Defendant's Alleged "New Defenses" Are Merely Rearguments of or Different Examples of Old Defenses.

Although defendant's counsel apparently have now thrown overboard most of the alleged "new defenses" presented to the District Court they have, by that very elimination, only emphasized the fact that the defenses are all old,—are those which were presented to and urged upon the Courts in the Orgill and Clear Vision suits, and by those Courts found to be ineffective, either to anticipate or to negative invention in claims 2, 3, 7 and 8 of the Lunati patent. In opposition to the motion for preliminary injunction defendant relied upon thirty-two patents, a publication (International Library of Technology; Rec. Vol. 3, pp. 2 to 6) and two alleged public uses, one of a hydraulic press (Thomas Bailey Iron Works, Athens, Ga., Lyndon Sketch X, Rec. Vol. 3, p. 309) and one of an example of an ordinary passenger or freight elevator (Otis Elevator Co., Copes Affidavit Exhibit A, Rec. Vol. 3, p. 1).

Of the thirty-two patents presented by the defendant *thirteen* were before the courts in both the Orgill and Clear Vision suits and *three* more were before the court in the Clear Vision suit only. The sixteen additional pat-

ents relied upon by the defendant disclose structures which may be classified as essentially identical in construction, mode of operation and contemplated and possible results with one or more of the sixteen patents which were before the courts in one or both of the prior suits. The publication and the Athens, Ga. and Otis Elevator Co. uses may likewise be classified as relating to structures essentially identical in construction, mode of operation and contemplated and possible results with one or more defenses which were before one or both of the Courts in the prior suits.

The alleged "new defenses" upon which defendant now relies, after discarding the great majority of those presented to the District Court, will be discussed in some detail later. But here it seems fitting to say that all of the defenses may be classified under eight headings. Such a classification will, we believe, be very helpful to Your Honors in accurately gauging the probable pertinence—we say impertinence—of all of these alleged "new defenses." Below all of these defenses are tabulated under the seven appropriate heads and a system of asterisk prefixes is employed so that at a glance it can be told whether any particular defense here asserted was relied upon in both the Orgill and Clear Vision suits or only in the Clear Vision or in neither suit.

Classification of Defenses.

Two asterisks ** —Before Courts in both Orgill and Clear Vision suits.

One asterisk * —Before Court in Clear Vision suit only.

No asterisk —Not before the Court in either Orgill or Clear Vision suits.

Automobile-Underbody Servicing Devices.

** Gearing & McGee—	877,709 (Four fluid actuated posts)
** Zimmerman	— 986,888 (Four fluid actuated posts)
** Bauman	—1,087,424 (Four screw actuated posts)
Wagner	—1,389,403 (Four fluid actuated posts)
Cleveland	—1,494,588 (Four fluid actuated posts)
* Hose	—1,525,447 (Four fluid actuated posts)

Pit Jacks—Located in Pits for removal of Locomotive and Car Wheels

** Wood	— 657,148
** Appleton & McCoy—	1,002,797
** Waters	—1,571,029 (Reissue 16,989)

Small Portable Jacks.

** Caldwell	— 569,574
** Baker	— 957,536
Rawlings	—1,213,012
** Healy	—1,398,132

Lifting Jacks in Transportation.

** Sherrill	— 804,060
Turner	— 968,501
** Lightner & Holmes—	1,398,331

Ordinary Plunger Elevators.

** Milliken	—	243,391
Steedman	—	932,726
Publication ("International Library of Technology")		
Otis Elevator Co. at Whiting-Meade Co.		

Barber and Dental Chairs.

Sonnex	—	625,425
Holtz	—	628,244
Pieper	—	1,137,080
Koken	—	1,178,733
Rebmann	—	1,265,384
* Koenigkramer	—	1,488,206

Hydraulic Presses.

Thomas Bailey Iron Works (Sketch X)		
Baumgarten	—	302,880
Cowley	—	744,906
Holmes	—	753,261
* Gates	—	1,188,063

Miscellaneous.

Hyde	—	216,326 (Four piston dry-dock lift)
Tucker	—	390,920 (Hose lifter)
Dutton	—	635,848 (Hydraulic Shock Absorber)
** Eide	—	1,185,640 (Turntable)

Defendant's counsel, perhaps with an appreciation of the applicability of the admonition of Judge Hough in *Ball & Roller Bearing Co. v. F. C. Sanford Mfg. Co.*, 297 Fed. 163, threw overboard, as we said before, most of the alleged "new defenses" presented to the District Court and elaborately discussed in the affidavits of defendant's expert Lyndon. In commenting upon the presentation of a multiplicity of references, Judge Hough in that case said:

“The voluminous record at bar is the best (or worst) example recently presented to us of useless and misleading references to earlier patents and publications. It seems necessary to apply to patent litigation from time to time the maxim that one cannot make omelets of bad eggs—no matter how many are used.”

Whatever the reason may have been defendant's brief refers to but **six** of the thirty-five alleged defenses. These selected defenses are:

1. Otis Elevator Co. use—Copes Affidavit, Exhibit A. (Rec. Vol. 3, p. 1.)
2. Publication—International Library of Technology. (Rec. Vol. 3, p. 2.)
3. Thomas Bailey Iron Works hydraulic press, Athens, Ga.—Lyndon Sketch X. (Rec. Vol. 3, p. 309.)
4. Zimmerman patent No. 986,888. (Rec. Vol. 3, p. 233.)
5. Wood patent No. 657,148. (Rec. Vol. 3, p. 201.)
6. Appleton & McCoy patent No. 1,002,797. (Rec. Vol. 3, p. 311.)

Passenger and Freight Elevators Neither Anticipate Nor Negative Invention in Lunati's Automobile Servicing Lift.

The Copes Exhibit A drawing (Otis Elevator Company use) and the International Library of Technology publication show examples of countless varieties of ordinary hydraulic passenger and freight elevators.

Although these particular references were not before the courts in the Orgill and Clear Vision suits the courts in those suits did have presented to them and did consider and very properly find ineffective other examples of hydraulic passenger and freight elevators essentially the same as those illustrated in the Copes affidavit Exhibit A and the International Library of Technology text-book. Ex-

amples of such references which were before the courts in the Orgill and Clear Vision suits are the patent to Milliken (Rec. Vol. 3, p. 57), Jones patent No. 772,361 and the Julien patent No. 946,781. The Jones and Julien patents are not included in the printed record but they were offered in evidence before the District Court as Plaintiffs' Exhibits 34-E and 34-O, respectively.

Of course, such passenger and freight elevators were never intended to afford and cannot afford ready access to the underbody of an automobile standing on the platform thereof. An automobile standing on the platform would be most accessible when the platform is down on the ground,—in that position it would be easier to crawl underneath. Elevation would only serve to make it harder to crawl underneath. The platforms of such elevators cannot rotate. The pistons do not have stops to limit the upward movement thereof. Nor are such elevators provided with parallel vehicle supporting rails between and around which a service station attendant may work while standing up and have ready access to all parts of the automobile within reach.

Hydraulic Presses Neither Anticipate Nor Negative Invention in Lunati's Automobile Servicing Lift.

The Lyndon Sketch X illustrating an hydraulic press used by the Thomas Bailey Iron Works at Athens, Ga., some forty years ago is one example of innumerable varieties of hydraulic presses which have been in common use for many, many years. Needless to say, such devices were neither intended nor adapted to serve nor are they capable of serving as an automobile servicing lift.

This particular press includes a plunger having a solid platform or "pressure head" mounted on its upper end. Four columns, which hold the stationary upper pressure

head, fit grooves in the movable lower pressure head so as to prevent its rotation,—rotation, of course, being undesirable in a press. The device has no rails of any sort, to say nothing of parallel vehicles supporting rails. It has no stop on the plunger to limit upward movement thereof.

Zimmerman Patent Neither Anticipates Nor Negatives Invention in Lunati's Automobile Servicing Lift.

The Zimmerman patent is the only one of the six finally selected defenses which relates to a device adapted for the underbody servicing of automobiles, *i. e.*, Lunati's purpose and the purpose of the defendant's lift. The Zimmerman lift is actuated by **four** hydraulic plungers, one under each corner—two under each rail near opposite ends. Such a lift would, of course, be incapable of rotation and the four lifting plungers under the four corners would prevent ready accessibility to the raised automobile underbody. The cost of such a device would be many times that of a Lunati lift. Furthermore, because the weight of an automobile never could be equally distributed, it would be impossible effectively to operate all four plungers simultaneously with the result that the lift would tilt and bend or break either the pistons or the rails or both.

Before the District Court defendant's counsel repeatedly asserted that this Zimmerman patent disclosed a two post lift, but eventually he admitted his mistake when he said:

“There is, however, one thing I do wish to make a correction about: Mr. Hinkle is correct with respect to the Zimmerman patent⁺ having two columns at each end.” (Rec. Vol. 2, p. 803.)

Wood Patent Neither Anticipates Nor Negatives Invention in Lunati's Automobile Servicing Lift.

This Wood patent, in addition to being one of the principal defenses relied upon in the Orgill and Clear Vision suits, was cited and considered by the Patent Office Examiner during the prosecution of the Lunati application for patent, and the claims in suit were allowed thereover. It constitutes the principal reference relied upon here, just as it did before the District Court. Defendant's expert and counsel devoted more time and space to the exposition of this reference than to any other. Perhaps one explanation for such a prolonged treatment is that, as explained by defendant's counsel, "in the Wood patent **we find great complexity and elaborate combination of features.**" (Defendant's Brief, p. 163.)

The Wood patent relates to what is commonly called a "pit jack,"—a device for facilitating the removal and replacement of wheels of locomotives and railway cars. Its purpose is to support a locomotive or railway car body **at the four corners** and, after the wheels are disconnected therefrom, to lower the wheels and move them from beneath the locomotive or car and finally to raise another set of wheels up into position for attachment to the locomotive or car. Four corner jacks designated in the patent G¹, G², G³ and G⁴ support the four corners of the locomotive or car. These four jacks are set at the edge of a large circular hole or "pit" (see particularly Fig. 2) into which the wheels are lowered. Standing on the bottom and in the center of the pit is a jack which comprises a cylinder D' and a piston D². Loosely mounted upon the piston is an outer tubular casing B¹, which casing through ball bearings is slidable up and down over and rotatable about the cylinder. Crossed pairs of railway tracks B¹ and B² are

attached to the top of this outer tubular casing B^4 and extend to the edges of the pit to register with other tracks which may come up to the edge of the pit at various angles. Because of the fact that the tubular casing and the crossed tracks carried thereby can be rotated upon the cylinder and piston of the center jack, the crossed tracks can be brought into register with any of the tracks outside of the pit. In order to support and prevent the tilting of the crossed tracks under the weight of the locomotive or car wheels an elaborate and complicated system of bracing B^3 extends from the outer ends of the crossed tracks to the lower end of the casing B^4 and a system of counterweight supporting frames E^1 and E^2 and adjustable counterweights E^3 are suspended below the crossed tracks. Further, to safeguard the crossed tracks against tilting while a locomotive or car is being run upon them a "pivoted brace F^1 " or, as an alternative, a wedge-shaped "shoe" F^2 is adapted to be adjusted below each outer end thereof at the edge of the pit.

In operation a locomotive or railway car is run over the pit on one of the crossed tracks B^1 or B^2 , the braces F^1 (or alternative shoes F^2) under the ends of the crossed tracks at the edge of the pit taking the weight. The locomotive or car body is then slightly elevated by the four corner jacks G^1 , G^2 , G^3 and G^4 to take the weight thereof from the wheels. Then the wheels are disconnected from the locomotive or car, the braces F^1 or shoes F^2 are withdrawn and the center jack is lowered to carry down into the pit the crossed tracks and the wheels resting thereon. A new set of wheels, which may be resting on the other of the crossed tracks, can be brought under the locomotive or car—by turning the crossed tracks upon the central jack—and then pushed up into position by causing the central jack to raise the crossed tracks up to the level of the edge of the pit.

that an automobile is run upon the rails of Wood's pit jack. The automobile would, of course, be driven on to Wood's rails when they are at ground level. All that can be done thereafter is to lower the automobile into the pit. Wood's central jack is not intended or arranged so that it can ever lift anything above ground level. If Wood's pit were five or six feet deep, then the automobile mechanic in attempting to service the underbody of the automobile, would climb down into the pit and worm his way through the trestle work and counterweights in an effort to get at the underbody of the automobile. If Wood's pit were more than five or six feet deep, then the automobile would be lowered into the pit until the rails were five or six feet above the floor of the pit,—and again the automobile mechanic would climb down into the pit and then through the trestle work and counterweights in an attempt to reach the underside of the car.

If, in other words, the Wood device were attempted to be applied to this new use for which it was never designed or intended, it would amount to nothing more than the old automobile servicing pit down into which the automobile mechanic could climb in order to reach the underside of the automobile. Even if the Wood mechanism were reorganized in such a way as to elevate the rails above the ground level rather than to depress them below the ground level, the trestle work and the counterweights would prevent any satisfactory access to the underbody of an automobile supported on these rails.

There is, of course, no doubt that the Wood mechanism could be reorganized, modified, and reconstructed in such a way as to accomplish Lunati's purpose,—but in such case we should no longer have Wood's pit jack, but rather Lunati's automobile lift. The Wood patent does not disclose the combinations of any of the claims in suit of the Lunati patent. The controllingly important consideration is that Wood's pit jack did not suggest Lunati's automobile lift.

The persistence of defendant's counsel in advancing this old threadbare Wood patent as one of the best—indeed the very best defense—that can be offered, is an enlightening admission of weakness.

The Appleton & McCoy Patent Neither Anticipates Nor Negatives Invention in Lunati's Automobile Servicing Lift.

The Appleton & McCoy patent, like the Wood patent, relates to a railway "pit jack." Like the Wood patent, it was one of the references relied upon in the Orgill and Clear Vision suits,—and by the courts found wanting. And again like the Wood patent it was cited by the Patent Office Examiner during the prosecution of the Lunati application, and the claims in suit allowed thereover.

The Appleton & McCoy patent shows a large rectangular excavation or "pit" below and extending at right angles beyond the railway tracks, in which tracks there is a gap the width of the pit. An hydraulic jack is located at the bottom of the pit below the gap in the tracks. A small wheeled truck or dolly carries track sections of a length to bridge the gap in the railway tracks, the wheels of this dolly fitting narrow gauge auxiliary tracks which are at the bottom of the pit and extend along the bottom thereof at right angles to the main tracks. The upper end of the piston of the jack is arranged to push up under the bottom of the dolly so as to raise it from the lower auxiliary tracks until the sections of track carried thereby register with the upper main tracks.

In operation, with the dolly in its upper position, the locomotive or car from which wheels are to be removed is run across the pit until the wheels to be removed are upon the track sections of the dolly. The weight of the locomotive or car, when the wheels are removed, must be borne by some suitable arrangement, such as four corner

jacks as in the Wood patent. Then the wheels are disconnected and lowered into the pit on the little dolly. When the dolly reaches the bottom of the pit its wheels rest upon the auxiliary tracks and the jack plunger becomes disengaged therefrom. Then the dolly may be moved on the lower auxiliary tracks out from beneath the main tracks and the wheels carried thereby "removed from the pit in any suitable well-known manner which may be found most suitable for this purpose" (patent page 3, lines 39-41).

The device was never intended to operate and cannot operate outside of a large excavation or "pit." It was never intended to elevate and cannot elevate an automobile for servicing the underbody or any other useful purpose. It was not intended to and cannot rotate. It has no rails free from extraneous elements and it has no stop for the piston.

NOTE: Lest, at the hearing, defendant's counsel may assert that some reference other than the six "selected" ones is a best defense we have in an appendix to this brief given a brief analysis of all of the thirty-five references submitted in opposition to plaintiffs' motion for preliminary injunction. This analysis is supplemented by charts which will show at a glance the elements of each claim which are missing from each reference.

Lunati's Invention First Satisfied a Long-Felt Want.

The Lunati lift came into an art which had long sought a simple, effective, reliable and relatively inexpensive device for affording ready access to the underbody of an automobile by a man standing on the floor or ground. It had long been recognized that such accessibility would greatly simplify, improve and cheapen the lubrication, inspection and repair of automobiles.

The difficulties, dangers and general unsatisfactoriness of

pits and racks were well known. And yet up to the time of the advent of the Lunati lift there was no satisfactory substitute for pits and racks.

The record in this case shows that prior to the advent of the Lunati lift at least six inventors had tried unsuccessfully to solve the problem which he finally succeeded in solving. These six earlier unsuccessful efforts are represented by the following patents:

Gearing & McGee—1907—4-plunger hydraulic lift.

Zimmerman—1910—4-plunger hydraulic lift.

Bauman—1913—4-screw-post lift.

Wagner—1920—4-plunger hydraulic lift.

Cleveland—1922—4-plunger hydraulic lift.

Hose—1923—4-plunger hydraulic lift.

Apparently none of these prior lifts ever went into use to an extent sufficient to enable a single instance of use to be found. No use whatever of any of these patented devices has been alleged in this or any of the prior litigations.

The reasons for the failure of these six devices are obvious when they are compared to Lunati's lift. All are more complicated and expensive. All require four posts (fluid operated in all except Bauman and screw operated in Bauman). None but Bauman is rotatable and Bauman requires a complicated, expensive and ineffective turntable to effect rotation. None would afford unobstructed access to the underbody of an automobile because of the multiplicity of posts below the vehicle supporting rails. Simultaneous and equal operation of the four fluid jacks required by five of these devices would be impossible, with the result that the mechanism would bind and break and automobiles lifted thereby would be dangerously tilted. The four screws of Bauman would be almost equally ineffective and certainly too expensive and complicated to compete with single plunger lifts of the Lunati type.

Contrasted to the cumbersome, expensive, ineffective and

practically inoperative and useless devices of these prior inventors who sought to accomplish Lunati's purpose, the Lunati lift is in all respects satisfactory. Its simplicity, reliability, cheapness, flexibility and effectiveness have resulted in its almost universal adoption by the higher class and more progressive service stations, filling stations and garages. The unquestionable merit and utility of automobile servicing lifts of the Lunati type are amply evidenced by the statement of the defendant that high pressure lubricating equipment, which nowadays is found almost universally at filling and service stations and garages, "is practically useless unless the customer buying the same has first purchased an automobile hoist" (Sommer affidavit, Rec. Vol. 1, p. 328).

Of course, hydraulic and pneumatic barber and dental chairs, railway pit jacks (for removing and replacing the wheels of railway cars and locomotives), small portable jacks, passenger and freight elevators and presses, were well known and extensively used for many years before the advent of the automobile.

It is easy now to say that Lunati's conception and combination were obvious, did not involve invention, are nothing but an aggregation, show nothing but mechanical skill and cannot possibly support a patent. In the light of Lunati's accomplishment it is easy to say that the hydraulic barber or dental chair or the ordinary hydraulic passenger or freight elevator or the railway pit jack or the hydraulic press or any of the almost countless varieties of small portable lifting jacks contain all that the Lunati lift contains and anticipate or relegate his contribution to the art to the realm of mere mechanical skill.

But the history of the art of servicing automobiles conclusively shows that, **at the time**, Lunati's solution of the problem was not obvious, in fact, it never occurred to any one. The problem was by no means a new one when he applied for a patent in 1924; it had been recognized for

about twenty years at least (Gearing & McGee). During the intervening years no less than six inventors sought to solve that problem and all failed to solve it notwithstanding the prevalence of these barber and dental chairs, elevators, presses, pit jacks and the like which are here—just as they were in the Orgill and Clear Vision suits—asserted so emphatically to teach all that Lunati did. But the record of the art—the way strewn with the wrecks of fond hopes—furnishes the correct answer to this contention. Actions speak louder than words. The proof of the pudding is in the eating thereof. No one prior to Lunati discerned and appreciated that the ordinary elevator or the pit jack or the barber chair or the hydraulic press possessed features and operated upon principles which with appropriate modifications and additions might be useful in providing a single plunger rotatable parallel-railed unobstructing lift for affording access to the underbody of motor vehicles. Of course, now that the problem has been solved, now that Lunati's simple but none the less admirable solution is known it may seem quite obvious. Perhaps one **may** well wonder why it so long escaped the perception of those skilled in the art. But the point is—not why was it not done before—but that it was not done before Lunati did it and in spite of a recognized need and of repeated efforts to do it.

Consolidated Contract Co. v. Hassam Paving Co.,
227 Fed. 436, 439 (C. C. A. 9th, 1915, Morrow, C.
J.).

“It is contended by the appellants that each of these elements had been employed, prior to the issuance of the patents, in the construction of roads or streets, or in structures. *But this of itself would not negative invention.* It is true the mere bringing together of old elements, which in their new places do no more than their original work, and not co-operate with other elements in doing something new and useful, is not invention; *but if they coact with each other in a new and*

unitary organization, so as to produce a more beneficial result than by their separate operation, it may constitute a patentable combination." (Italics ours.)

If anything more is needed to show that what Lunati did was not so obvious as counsel for defendant now contends, it is supplied by the defendant himself when in his first affidavit he said:

"I further depose and say that I first began to develop and experiment with the said automobile hoists which I now manufacture and sell, in the year 1924, and such experimental work continued until and during the year 1927."

It is contended that the Lunati lift is a mere aggregation of old elements each performing its old function and accomplishing its old result and nothing more.

The absurdity of this contention is self-evident. No prior device could accomplish the results attainable with the Lunati lift. Parallel rails for supporting a vehicle were old but they were never carried by a single rotatable plunger; they were never free from extraneous elements from their ends to the central support; and consequently underbody accessibility and the capability of unlimited rotation when elevated and depressed were lacking. Lunati, by uniting or combining parallel unobstructed rails and the single rotatable plunger, produced therefor a new combination in which to be sure the rails accomplish the old purpose of supporting a vehicle but also and in addition accomplish wholly new results, viz., unobstructed accessibility to the motor car underbody together with the ability to drive the car thereover from any direction, to rotate the car at will while raised and, when lowered, to drive the car away in any desired direction. Neither parallel rails nor plunger alone would accomplish these desirable results, nor could the prior art combinations of parallel rails supported by a plurality of plungers or posts accomplish these results. But, on the

other hand, Lunati's new combination of parallel rails and single rotatable plunger does accomplish all of the results. Lunati provided, from elements which were separately old, a "new and unitary organization, so as to produce a more beneficial result than by their separate operation" or by any previously known combination of these elements.

Furthermore, Lunati's new combination of single rotatable plunger and parallel supporting vehicle rails not only produced a new structure, but effected new results and a new mode of operation. Never before had parallel vehicle supporting rails been carried and elevated by a single centrally disposed hydraulic plunger to afford access to an automobile underbody. Never before had a single rotatable and vertically movable plunger carried parallel vehicle supporting rails which it could elevate to afford access to the underbody of an automobile.

Lunati's invention fully meets the test set forth by the Supreme Court of the United States in *Loom Co. v. Higgins*, 105 U. S. 580, 26 L. Ed. 1177, wherein the Court said:

"It is further argued, however, that supposing the devices to be sufficiently described, they do not show any invention; and that the combination set forth in the fifth claim is a mere aggregation of old devices, already well known and, therefore, it is not patentable. This argument would be sound if the combination claimed by Webster was an obvious one for attaining the advantages proposed,—one which would occur to any mechanic skilled in the art. But it is plain, from the evidence and from the very fact that it was not sooner adopted and used, that it did not, for years, occur in this light to even the most skillful persons. It may have been under their very eyes, they may almost be said to have stumbled over it; but they certainly failed to see it, to estimate its value, and to bring it into notice. Who *was* the first to see it, to understand its value, to give it shape and form, to bring it into notice and urge its adoption, is a question to which we shall shortly give our attention. At this point we are constrained to say that we cannot yield our assent to

the argument, that the combination of the different parts or elements for attaining the object in view was so obvious as to merit no title to invention. *Now that it has succeeded, it may seem very plain to anyone that he could have done it as well.* This is often the case with inventions of the greatest merit. It may be laid down as a general rule, though perhaps not an invariable one, that if a new *combination and arrangement of known elements produce a new and beneficial result, never attained before, it is evidence of invention.*" (Italics ours.)

And also that set forth by this Court in *Stebler v. Riverside Heights Orange Growers' Ass'n.*, 205 Fed. 735 (C. C. A. 9th Ct. 1913, Dietrich, D. J.):

"It is not deemed necessary to describe in detail the the Bailey and Hutchins devices. They are not infringed by the plaintiff's claims. True, we may pick out one similarity in one of these devices, and one in another, and still one in another, and, by combining them all, anticipate the inventive idea expressed in the Strain patent, but the combination constituting the invention is not found in any one of them. As we had occasion to say in *Los Alamitas Sugar Co. v. Carroll*, 173 Fed. 280, 97 C. C. A. 446:

" 'It is not sufficient, to constitute an anticipation, that the devices relied upon might, by a process of modification, reorganization, or combination, be made to accomplish the function performed by the device of the patent.' " (P. 738.)

Giving the Terms of the Claims Merely Such Meaning As They Are Given in the Accompanying Specification Claims 2, 3, 7 and 8 Are Clearly Not Met by the Prior Art.

One elementary rule and principle of patent law is that the claims of a patent must be construed in consonance with the accompanying specification. The rule has been expounded and applied by this Court on numerous occa-

sions. We shall limit citation to one case, viz., *Greenawalt v. American Smelting & Refining Co.*, 10 Fed. (2d) 98, wherein this Court said:

“The specifications and the whole language of the patent must be looked into, in determining its claims of invention, and the specifications and claims must be read together. *Mitchell v. Tilghman*, 19 Wall. 287, 22 L. Ed. 125; *1900 Washer Co. v. Cramer*, 169 F. 629, 95 C. C. A. 157; *Royal Co. v. Tweedie* (C. C. A.), 278 F. 351.” (P. 100.)

The Lunati patent is entitled “Lifting Device for Motor Vehicles.”

The specification explains the purpose of the device as follows (Rec. Vol. 3, p. 43):

“My invention relates to lifting devices for *motor vehicles*. The principal object of the invention is to provide a device whereby a vehicle may be elevated above the ground *to permit ready access to the mechanism carried by the underbody by a garage mechanic for the purpose of repairing and cleaning the vehicle* and to provide a construction of this kind which is compact and will occupy comparatively small space and may be readily operated *by fluid pressure supplied from a convenient source.*” (Italics ours.)

Thus the word “vehicle” in the claims of the patent means a motor vehicle or automobile. It does not mean the cage or platform of a passenger or freight elevator or the passengers or freight carried thereby. It does not mean the wheels of a locomotive or railway car or the material between the head and abutment of an hydraulic press or the patient or customer sitting in a dental or barber chair.

The specification explains that the “vehicle supporting means mounted on said piston”

“consists of two channel rails 10. These channel rails are bolted to the attaching member 9. They extend laterally from the hollow piston on opposite sides thereof and are spaced apart a suitable width to receive the wheels of the ordinary *motor vehicle*. These

rails are secured only to the head carried by the centrally mounted piston and they extend freely from said central support without other means of bracing or supporting means beneath the same throughout their full extent so as to leave a free, unobstructed space beneath the vehicle supporting rails whereby ready access is afforded to the vehicle. By this arrangement, the vehicle is adapted to be supported in equipoise by the parts of the supporting members extending freely from the center, and by means of the central, single piston only." (Italics ours.)

This description makes it perfectly clear that what is meant by "a vehicle lifting device" is a device for lifting a motor vehicle (automobile) to afford access—not merely visibility—to the automobile underbody and that the expressions "vehicle supporting means" (claim 2) and "means for supporting a vehicle" (claim 8) contemplate, and contemplate only, "means" which are mounted on the plunger, "extending freely from the center" and supported "by means of the central single piston only."

It is furthermore obvious that the expression "spaced parallel rails secured to said support" (claim 7) contemplates rails supported "by means of the central single piston only."

When so properly construed in consonance with the patent specification claims 2, 7 and 8 are not anticipated by and do not describe any structure in the prior art. It is quite obvious that they should not be construed and cannot properly be construed as descriptive of passenger and freight elevators or pit jacks or hydraulic presses or barber or dental chairs. It is equally obvious that they do not describe 4-plunger lifts such as the Zimmerman patent or 4-screw operated lifts such as the Bauman patent.

Claim 3 is so obviously not descriptive of any prior art device that it needs little, if any, discussion. No prior art device includes "a pair of spaced parallel rails arranged on opposite sides of a supporting member" which member

is carried by the upper end of the piston and is "provided with outwardly diverging portions secured at their ends to said rails near the centers thereof, said rails being relatively long and free from extraneous elements from their ends to the diverging portions of said supporting member."

Lunati's Invention is Not a "Double Use" of Any Prior Art Device.

Defendant's counsel repeatedly asserts that the Lunati patent is invalid because it is "at best for an unpatentable double use." This contention is entirely wrong and completely disregards the true meaning of double use.

The case of *Miller v. Eagle Mfg. Co.*, 151 U. S. 186; 38 L. Ed. 121, cited in defendant's brief (p. 4) in support of the argument that the Lunati patent is invalid because it is for a mere "double use" of an ordinary passenger or freight elevator is not in point at all. What that case decided was that two patents could not be valid for the same invention.

Possibly the most exact and best expressed exposition of the doctrine of "double use" is that found in Robinson on Patents, Vol. 1, Sec. IV, page 354. Beginning at page 361 Robinson says:

"It will assist us in our own investigation of this doctrine [double use] to remember: (1) That in all cases turning on diversity of use it is assumed that the *identity of the invention used remains entirely undisturbed*; and (2) That the real question is, whether the changed employment of the *unchanged* invention involves an exercise of the creative powers, and introduces a new idea of means, not into the art or instrument itself, but *into the manner of its use*, and so makes the new mode of its employment a new and separate invention." (Italics ours.)

Thus a "double use" can only involve the application of the **identical thing**—the same combination—to a different

use; it does not involve a different use of a **different thing**—a **different combination**.

Numerous decisions might be cited in support of this—the true—definition of “double use.” But we need refer to no other than the case referred to by defendant’s counsel, viz., *Mast, Foos & Co. v. Stover Mfg. Co.*, 177 U. S. 485, 44 L. Ed. 856, wherein the Supreme Court said:

“Having all these various devices before him, and, whatever the facts may have been, he is chargeable with a knowledge of all pre-existing devices, did it involve an exercise of the inventive faculty to employ *this same combination* in a windmill for the purpose of converting a rotary into a reciprocating motion? We are of the opinion that it did not.

“. . . He invented no new device; he used it for no new purpose; he applied it to no new machine. All he did was to apply *it* to a new purpose in a machine where *it* had not before been used for that purpose. . . . In our opinion this *transfer* does not rise to the dignity of invention.” (Italics ours.)

Ordinarily a mere different use of the same thing is unpatentable, although as stated by Walker on Patents, there is an exception to this general rule, viz., when the new use is *non-analogous* to the old use. Thus Walker on Patents (Sixth Edition), Vol. 1, p. 96, says:

“It is not invention to use an old process, machine, manufacture, composition of matter, or design for a new and *analogous* purpose.”

And at page 98:

“It **may** be invention, to use an old process, machine, manufacture, composition of matter, or design, for a new and *non-analogous* purpose.”

We do not think that even defendant’s counsel would dispute the statement that, **without some change**, none of the prior art devices is the Lunati lift. Only a glance at the prior art suffices to show that none is the counterpart or the equivalent of the Lunati lift. Consequently the Lunati

lift is not a double use of any of the devices of the prior art.

Of course, one of the functions of the Lunati lift is to elevate an automobile; another is to permit the automobile to be turned, either when the lift is up or down. But the mere elevating and lowering and turning of an automobile are not the purposes for which the Lunati lift was invented or for which it is used. Lifting, lowering and turning are but incidents—necessary incidents, of course—to the ultimate purpose. They are the means to an end. The real purpose or end is to render the underbody of an automobile readily accessible—not as defendant's counsel so frequently asserts merely visible to permit a workman to **see** the underbody—but for the purpose of enabling the workman to **reach** as well as to see all parts of the underbody from a standing position on the ground or floor.

The only reference here relied upon by the defendant which shows anything even remotely intended to accomplish or capable of accomplishing Lunati's purpose is the Zimmerman patent and, as we have already shown, Zimmerman was but one of a number of inventors who, for almost twenty years before the advent of the Lunati lift, sought unsuccessfully to solve the problem and accomplish the purpose Lunati's lift solved and serves so well. **The reasons for the failure of the Zimmerman device are inherent in the differences between it and the Lunati lift.**

The hydraulic cylinder and plunger in and of themselves were, of course, old and well known. But even in so far as these elements alone are concerned, the use of a single hydraulic cylinder and plunger for bodily lifting an automobile was an entirely new use of these elements and this new use was made feasible and possible by a combination of the old cylinder and plunger with other elements, with which such a cylinder and plunger had never before been combined. It was the new combination, and the new com-

bination only, which enabled Lunati to accomplish a new and better result than had ever been accomplished before, and as a result of which his combination has almost completely displaced the use and sale of every other device which has ever been proposed for the underbody servicing of automobiles.

Just such a situation as is presented by the Lunati patent has never been more pithily summarized than by his Honor Judge Learned Hand, who, speaking for the Second Circuit Court of Appeals in *Traitel Marble Co. v. U. T. Hungerford*, 18 Fed. (2d) 66, said (p. 68):

“Assuming, for argument, that the law is absolute that there can be no patent for the new use of an old thing, that is because the statute allows no monopolies merely for ideas or discoveries. If the thing itself be new, very slight structural changes may be enough to support a patent, when they presuppose a use not discoverable without inventive imagination. We are to judge such devices, not by the mere innovation in their form or material, but by the purpose which dictated them and discovered their function. Certainly the art would have waited indefinitely, in the light of all that McKnight disclosed for Calkins’s contribution to its advance. It will not serve now to observe how easy it was, given the suggestion, to change his invention into that of the patent in suit.”

The defendant is perfectly free to use the Otis or any other passenger or freight elevator, or any hydraulic press, or the Wood or Appleton & McCoy “pit jacks” or the Zimmerman 4-post lift if he desires so to do. Had he adopted any of these devices he never would have become involved in this litigation.

But did the defendant choose to adopt any of these prior devices? No. With the whole art before him he admittedly experimented for a number of years, and only attained success after he had adopted the Lunati invention in substance and in spirit.

Lunati Claims 2, 3, 7 and 8 Clearly and Accurately Describe Defendant's Lift.

Defendant's counsel apparently wishes to convey the impression that, before the District Court, the claims were never applied to the defendant's lift.

The fact is that in the course of the argument before the District Court on November 30th plaintiffs' counsel did apply each of claims 2, 3, 7 and 8 element by element to the defendant's lift (Rec. Vol. 2, pp. 783-789).

Defendant's counsel erroneously asserts that the lift held to infringe in the Orgill suit was radically different from the defendant's lift.

In order briefly and yet fully to demonstrate the complete and accurate applicability of each and every element of each and every one of the claims in suit we have reproduced on the opposite folded page the drawings of the Lunati patent and drawings of the defendant's "Comwel Hoist," of the Curtis lift held to infringe in the Orgill suit and of the "Clear Vision Hoist" preliminarily enjoined in the Clear Vision suit.

In the following four pages of charts each claim is separated into its various elements and, by like reference characters, the corresponding part of each of these four lifts is properly designated.

LUNATI NO. 1,552,236

CLAIM 2

	Corresponding Elements			
	Lunati Patent	Defendant's "Comwel Hoist"	Curtis Lift Orgill Suit	"Clear Vision Hoist"
A vehicle lifting device comprising				
a hollow casing,	1	1	1	1
means for admitting fluid pressure thereto,	14	14	14	14
a single vertically movable and rotatable piston mounted in said casing,	5	5	5	5
vehicle supporting means mounted on said piston, and	9, 9a & 10	9, 9a & 10	9, 9a & 10	9, 9a & 10
a stop on said piston for limiting the upward movement thereof.	21	21	21	21

LUNATI NO. 1,552,236

CLAIM 3

Corresponding Elements

	Corresponding Elements			
	Lunati Patent	Defendant's "Comwel Hoist"	Curtis Lift Orgill Suit	"Clear Vision Hoist"
A vehicle lifting device comprising				
a vertical cylinder,	1	1	1	1
a piston mounted to reciprocate therein,	5	5	5	5
means for supplying fluid pressure to said cylinder to lift said piston,	14	14	14	14
a supporting member carried by the upper end of said piston,	9 & 9a	9 & 9a	9 & 9a	9 & 9a
a pair of spaced parallel rails arranged on opposite sides of said supporting member, said member being provided with outwardly diverging portions secured at their ends to said rails near the centers thereof, said rails being relatively long and free from extraneous elements from their ends to the diverging portions of said supporting member.	10	10	10	10



LUNATI NO. 1,552,236

CLAIM 7

	Corresponding Elements			
	Lunati Patent	Defendant's "Comwel Hoist"	Curtis Lift Orgill Suit	"Clear Vision Hoist"
vehicle lifting device comprising				
a vertical cylinder adapted to be embedded in the earth and provided with an open upper end,	1	1	1	1
a piston mounted to reciprocate in said cylinder and projecting from the upper end thereof,	5	5	5	5
a gland secured to the upper end of said cylinder and surrounding said piston, the surface of the earth in which said cylinder is embedded being provided with a relatively small shallow depression in which said gland is arranged,	7	7	7	7
means for supplying fluid pressure to said cylinder to lift said piston,	14	14	14	14
a support carried by the upper end of said piston, and	9 & 9a	9 & 9a	9 & 9a	9 & 9a
spaced parallel rails secured to said support, said rails projecting a substantial distance beyond said depression and being supported on the surface of the earth when said piston is in lowered position.	10	10	10	10

LUNATI NO. 1,552,236

CLAIM 8

	Corresponding Elements			
	Lunati Patent	"Defendant's "Comwel Hoist"	Curtis Lift Orgill Suit	"Clear Vision Hoist"
vehicle lifting device comprising				
vertical cylinder,	1	1	1	1
piston mounted to reciprocate in said cylinder, the lower end of said cylinder being slightly greater in diameter than said piston, the upper end of said cylinder being of the same diameter as and adapted to snugly receive said piston,	5 & 22	5 & 22	5 & 22	5 & 22
projection carried by the lower end of said piston and extending outwardly therefrom,	21	21	21	21
means for supporting a vehicle on the upper end of said piston, and	9, 9a & 10	9, 9a & 10	9, 9a & 10	9, 9a & 10
means for supplying fluid pressure to said cylinder to lift said piston.	14	14	14	14

Defendant's Lift Is the Counterpart of the Lunati Lift Having the Same Elements, the Same Organization, the Same Mode of Operation and Producing the Same Results.

The Lunati lift and the defendant's lift are intended for the accomplishment of and do accomplish the same purpose, viz., the elevation of an automobile to render the underbody readily accessible for lubrication, repair and inspection by a man standing on the ground. There can be no dispute about this point.

The lift disclosed in the Lunati patent and covered by claims 2, 3, 7 and 8 and the defendant's lift are practically identical—certainly equivalents—in every essential respect and element.

Both are operated by fluid pressure.

Both have a single stationary vertical cylinder adapted to be embedded in the earth and one vertically movable and rotatable hollow piston mounted in the cylinder.

Both depend upon fluid pressure exerted between the stationary cylinder and the movable plunger to raise the plunger.

Both use a liquid (oil) which fills the space between the cylinder and plunger when the lift is up and which must be permitted to escape or be "emitted" (as defendant's counsel expresses it) from this space (*i. e.*, from the cylinder) to enable the plunger to come down. This use of oil in the cylinder of the defendant's lift and the emission of that oil from the cylinder when the plunger descends were admitted by defendant's counsel when, in describing the defendant's lift he said:

"Oil is used in the cylinder, of course, to raise the plunger and it is taken out and **emitted** to allow the plunger to descend" (defendant's brief, p. 189).

In both lifts this oil is stored in a chamber or tank from which it is forced by fluid pressure (compressed air) into this space (*i. e.*, into the cylinder) when the plunger is to be elevated. In the Lunati patent this chamber or tank is outside of the plunger cylinder combination, while in the commercial lifts of both the plaintiffs and the defendant it is inside of the plunger cylinder combination (*i. e.*, the hollow plunger itself). However, none of the claims in suit specifies the location or the presence of a fluid tank, either inside or outside of the cylinder.

Both have parallel vehicle supporting rails carried by the single plunger.

In their commercial devices the plaintiffs provide these rails in two forms, one wherein the rails engage the tires of the wheels, and the other wherein the rails engage the axles on which the wheels are mounted. (For reference Rec. Vol. 1, p. 12.) The defendant has copied the plaintiffs' form wherein the rails engage the axles.

It is argued that the defendant's lift does not have "traction" rails upon which the wheels of an automobile may be driven. But no claim of the Lunati patent specifies "traction" rails; the most limited description in any claim is merely "spaced parallel rails." The purpose of the rails of the defendant's lift, as is the purpose of the rails in the Lunati lift, is to enable the centrally disposed rotatable plunger to raise the automobile and in elevated position to afford ready access to the underbody.

In spite of fine-spun arguments that the Lunati patent claims are limited to "traction" rails—which is not true—and that the so-called "beams" of the defendant's lift are not "rails," defendant's counsel and expert both admitted the absurdity of this contention. Thus in attempting to describe the old and well-known hydraulic elevator disclosed in the defense publication (Rec. Vol. 3, p. 2), and particu-

larly referring to two I-beams below the elevator platform, defendant's counsel says:

“Note how the load is supported on rails B” (Defendant's Brief, p. 85).

And defendant's expert, in referring to the Healy patent No. 1,398,132 (Rec. Vol. 3, p. 195), which shows a frame for engaging an automobile chassis, said:

“This frame comprises two rails made of structural steel channels.” (Rec. Vol. 1, p. 392.)

In short, defendant's counsel and expert assume the peculiar and wholly inconsistent position that parallel beams to support anything may be “rails” if shown in the prior art but parallel beams as used in defendant's lift to support an automobile for underbody servicing cannot be “rails.”

Defendant's Fine-Spun Arguments for Non-Infringement Are Untenable.

Defendant's arguments that claims 2, 3, 7 and 8 of the Lunati patent do not describe and are not infringed by the defendant's lift, are based upon five erroneous premises; which may be briefly stated and answered as follows:

1. That defendant's lift utilizes a different mode of operation from that of the Lunati lift; **whereas it actually operates upon essentially the same mode.**

2. That the defendant's lift is totally different in construction and constitutes a total reorganization of structure and mode of operation of the Lunati lift; **whereas it is essentially the same as the Lunati lift in construction, organization, mode of operation and results.**

3. That in the defendant's lift the liquid is “never emitted from the cylinder” as it is in the Lunati lift;

whereas in both lifts the liquid is forced into the stationary cylinder between the walls thereof and the plunger to elevate the plunger and leaves or is "emitted" from the cylinder to permit the plunger to sink.

4. That the rails of the defendant's lift are not "traction" rails; whereas the claims do not specify "traction" rails but merely "rails" or "parallel vehicle supporting rails" and in so far as elevating an automobile for underbody servicing is concerned, the rails of defendant's lift are the equivalent of those illustrated in the Lunati patent.

5. That the file-wrapper of the Lunati patent—by showing limitations imposed upon the claims before allowance—prevents the claims from being construed to cover the defendant's lift; **whereas there is absolutely nothing in the file-wrapper to create such an estoppel.**

The defendant's expert Lyndon, just as did the defendants in the Orgill and Clear Vision suits, tries to show non-infringement by pointing out immaterial differences between the defendant's lift and the lift shown in the drawings of the Lunati patent,—differences in details which have no significance whatever in connection with any claim in suit. In this comparison defendant's highly technical expert adopts just the reverse of the attitude he assumes when considering differences between the Lunati lift and the structures of the prior art. Thus when considering the relation between the Lunati lift and the prior art defendant's expert sweeps aside all differences in structure, mode of operation and contemplated or possible results as of no importance whatever while, on the other hand, even the slightest structural differences in details—details to which the claims in suit are not in any sense limited—between the lift shown in the drawings of the Lunati patent and the defendant's lift assume mountainous proportions.

It is true that some of these details might be of some consequence were claims other than 2, 3, 7 and 8 in suit because some of such limitations are included in claims not in suit.

Thus, beginning at page 429 of volume 1 of the Record eleven such immaterial differences between the defendant's lift and the lift shown in the drawings of the Lunati patent are discussed in some detail by the defendant's expert. Very briefly these immaterial differences emphasized by the defendant's expert may be disposed of as follows:

(1) It is pointed out that the head or rail supporting member of the defendant's lift is a "solid disk" and "a rectangular plate of rolled steel" secured together horizontally by bolts, whereas the Lunati patent shows a head member divided into two parts vertically—instead of horizontally—bolted together to clamp the upper end of the plunger.

This slight difference in the details of the construction of the rail attaching head would have some significance if claim 4 of the Lunati patent was in suit but the two-part head construction and the clamping of the head to the top of the plunger are limitations not present in any of claims 2, 3, 7 and 8.

In the Orgill and Clear Vision suits this "difference" was held to be of no consequence because, in both instances, the heads of the lifts found to infringe were constructed of flat rolled steel members bolted in a horizontal position upon the top of the plunger.

(2) It is pointed out that the vehicle supporting members of the lift shown in the Lunati patent are channels spaced far enough apart to receive the wheels of an automobile driven over the lift, whereas in the defendant's lift the vehicle supporting members are I-beams spaced a less distance apart so as to lie within rather than in the line of the wheels of an automobile driven over the lift.

This difference in the automobile supporting rail details has, as we have already pointed out, no significance whatever as to the claims in suit because none of these claims is limited to a structure wherein the rails engage the automobile wheels as distinguished from the automobile axles.

In the Clear Vision suit the Court held this difference in rail spacing to be of no consequence because that company's "free wheel" lift (where the rails are separated less than wheel tread) and its "drive-on" or "run-on" lift (where the rails are separated the width of wheel tread) were both enjoined.

(3) It is pointed out that the lift shown in the Lunati patent has a top casting or member (ring 8) *on* the cylinder to which the packing gland (7) is attached by screws, whereas in the defendant's lift the gland is attached by screws to nuts or lugs welded on the cylinder.

Claim 7 is the only claim which mentions the gland and that claim merely specifies that the gland is "secured to the upper end of said cylinder" which obviously is true of the defendant's lift.

(4) It is pointed out that the defendant's lift has no "excavation or hole in the ground to receive a casting or the top portion of the cylinder or any gland holding member." While all this may be true, it has nothing whatever to do with claim 7 which specifies that there is a "relatively small shallow depression in which the gland is arranged" and the gland of the defendant's lift does lie in a small shallow depression in the ground or floor at the upper end of the cylinder so that the rails may be lowered to rest upon the ground or floor.

In this respect the defendant's lift is like the Curtis Company lift, which, in the Orgill suit, was held to infringe.

(5 and 6) It is pointed out that the plunger of the defendant's lift engages two spaced bearing or guide rings located within and carried by the cylinder, whereas the

Lunati patent shows a single long bearing for the plunger. But such details are of no significance whatever in connection with claims 2, 3 and 7; and as to claim 8, the defendant's guide or bearing rings are as much a part of the cylinder as is the single guide or bearing member of the lift shown in the Lunati patent. At most it can merely be said that the defendant has made in two parts an element which the patent shows in one piece and that does not avoid infringement.

The lifts which were held to infringe in the Orgill and Clear Vision suits were, in this respect, like that of the defendant.

(7) It is erroneously pointed out that the plunger of the defendant's lift is closed at both ends, whereas the patent shows a plunger closed at the top but open at the bottom. As a matter of fact the defendant's plunger is **open at the bottom** although not completely so. None of the claims in suit particularize as to which end of the plunger is closed.

The Curtis Company lift involved in the Orgill suit had a plunger completely closed at both ends; while the plunger of the Clear Vision lift was partly open at the lower end just as is the plunger of the defendant's lift.

(8) It is pointed out that the pressure fluid in the defendant's lift is supplied to the inside of the plunger, whereas the Lunati patent shows the pressure supplied outside of the plunger. But in both lifts pressure must be built up between the stationary cylinder and the movable plunger so that in both cases fluid pressure must be and is applied to the cylinder or the lifts would not work.

In one form of lift made by the Clear Vision Pump Company the pressure-fluid pipe entered at the bottom of the cylinder, projected upwardly through a hole in the lower plunger-head and opened within the plunger above the highest level to which the oil can rise therein, in pre-

cisely the same way as does the pressure fluid pipe of the defendant's lift. This Clear Vision lift was enjoined.

(9) It is pointed out that the defendant's lift has no hinged approaches at the ends of the rails, whereas the patent shows such members. The hinged approaches are not included in any of claims 2, 3, 7 and 8.

(10) It is pointed out that the defendant's lift has no means for "chocking" the wheels of the automobile being lifted, whereas the Lunati patent shows such means. None of the claims in suit include the wheel chocks.

(11) It is pointed out that the immediate lifting agent of the defendant's lift is air, whereas in the lift of the Lunati patent the immediate lifting agent is a liquid (oil). The claims in suit specify a "fluid" as the lifting agent, which term includes both a liquid (oil) and a gas (air).

In this respect one of the Clear Vision lifts which was enjoined was, in structure and method of operation, substantially identical to the defendant's lift.

The Lunati File-Wrapper Creates No Estoppel Against the Application of Claims 2, 3, 7 and 8 to Defendant's Lift.

Defendant's counsel asserts that "claim after claim, having the scope which appellees now urge for their patent, were rejected and cancelled" (Defendant's Brief, p. 24) and that the "continued cancellation and amendment of claims . . . resulted in a surrender of scope" precluding the claims in suit from being construed to describe the defendant's lift (Defendant's Brief, p. 76).

The Lunati file-wrapper does not support but absolutely refutes this contention.

The doctrine of file-wrapper estoppel, as applied by this and every other Court of the United States, may be briefly stated as follows: The claim of an issued patent cannot be construed in such a way as to make it identical with a claim

which has been abandoned, either by cancellation or amendment, during the prosecution of the application.

This doctrine was concisely expressed by this Court in *Angelus Sanitary Can Mach. Co. v. Wilson*, 7 Fed. (2d) 314, as follows:

“Conceding the principle that by amending Wilson is limited to the form and language of the claims as allowed, nevertheless he is not limited to any detailed specific construction to avoid any reference cited against it, nor is he estopped from claiming by the amended claim every improvement and combination which he has invented and which was not disclosed by those references.”

No claim which was cancelled from the Lunati application was identical with or the equivalent of any claim in suit. No claim in suit was amended after it was added to the application.

Claim 2 of the issued patent was inserted as claim 9 (subsequently renumbered) by the first amendment filed on March 25, 1925 (Rec. Vol. 3, p. 23). It was never subsequently altered in any way and consequently nothing which transpired subsequent to the filing of this claim can have any effect whatever as an estoppel.

Claim 3 in suit was added to the Lunati application by an amendment dated June 26, 1925 (Rec. Vol. 3, p. 27). It was allowed without any change whatever.

This claim was a new and fresh statement of the essence of the Lunati invention. It cannot be traced back to earlier claims which were either rejected, amended or cancelled. This claim 3 for the first time included a description of the vehicle supporting means in the form of two separate and distinct elements comprising

(1) A supporting member carried by the upper end of the piston . . . said member being provided with outwardly diverging portions secured at their ends to the rails near the centers thereof; and

(2) A pair of spaced parallel rails arranged on op-

posite sides of the supporting member . . . said rails being relatively long and free from extraneous elements from their ends to the diverging portions of the supporting member.

Claim 7, like claim 3, was added to the application by the amendment of June 26, 1925 (Rec. Vol. 3, p. 28), was allowed without any change whatever, and has no counterpart in any prior claim. This claim includes three additional features not found in any other claims either as previously filed, amended or allowed, viz.:

- (1) The mounting of the cylinder in a vertical position embedded in the earth,
- (2) The location of a packing gland in a small shallow depression in the surface of the earth around the upper end of the cylinder, and
- (3) The extension of the vehicle supporting rails a substantial distance beyond the depression so that they are supported on the ground (or floor) when the plunger is in lowered position.

Each of these three features is present in the defendant's lift. No interpretation of the claim making it the same, or the equivalent of, any claim which was rejected or cancelled or amended is necessary to render it a complete and accurate description of the defendant's lift.

Claim 8, like claims 3 and 7, was added to the application by the amendment of June 26, 1925, and was never altered in any way (Rec. Vol. 3, p. 29). It contains three "limitations" not found in any prior claim, but these limitations do not need to be disregarded or modified in any way in order to render the claim completely and accurately descriptive of the defendant's lift. These three limitations are:

- (1) That the lower end of the cylinder is of slightly greater diameter than the piston,
- (2) That the upper end of the cylinder is the same diameter as and adapted snugly to receive the piston,
- (3) That the piston has a projection carried by its lower end and extending outwardly therefrom.

Here, again, each of these "limitations" is present in the defendant's lift and consequently it is unnecessary to ignore or modify them to find infringement.

Defendant's brief refers to but one cancelled claim in support of the contention that the claims in suit must be construed to be identical with or the equivalent of a cancelled claim in order that they may describe the defendant's lift. This was a claim 6 inserted by the amendment of March 25, 1925, and subsequently cancelled (Rec. Vol. 3, p. 23). This claim read as follows:

"6. A vehicle lifting device having a fixed cylinder, a source of fluid pressure communicating therewith, a piston mounted in said cylinder for vertical and rotatable movement therein and having means to receive pressure adapted to force the piston upward, a stuffing box for said piston, and vehicle supporting means mounted on the upper end of said piston."

It requires but a glance at this claim to discover the absence of a stop for limiting the upward movement of the plunger (claim 2); of the supporting member carried by the upper end of the piston and having outwardly extending or diverging arms and a pair of spaced parallel rails (claim 3); of the cylinder embedded in the earth, the packing gland located in a depression of the earth around the upper end of the cylinder and the vehicle supporting rails extending beyond the depression so as to be supported on the ground or floor when the piston is lowered (claim 7); and of a cylinder having its lower end of slightly greater diameter than the piston, and its upper end of the same diameter and adapted to snugly receive the piston, and a projection carried by the lower end of the piston and extending outwardly therefrom (claim 8).

Plaintiffs are asking neither for the elimination of nor for any warped or unusual construction of any of these "limitations." All they seek is an interpretation consonant with the drawings and description of the Lunati

patent. When so construed claims 2, 3, 7 and 8 find no duplicate or equivalent among the rejected and cancelled or amended claims. And yet they accurately and fully describe the defendant's lift.

Thus on the authority of the very case cited by defendant's counsel in support of his assertion of file-wrapper estoppel (viz., Your Honor's decision in *W. F. Schultheiss Co. v. Phillips*, 264 Fed. 971), the Lunati patent should only be "limited to the precise form and language of the *claims* allowed." When so "limited"—and plaintiffs are not asking that they be not so limited—infringement thereof by defendant's lift is clear.

Defendant's Expert Affidavit Largely Composed of Incompetent and Improper Opinions on Validity and Infringement of Lunati Patent.

Defendant's counsel, both here and before the District Court, criticise plaintiffs' showing in support of the motion for preliminary injunction because no "expert" affidavit was filed on its behalf. The contention is made that a plaintiff on a motion for a preliminary injunction *must* rely upon an expert affidavit. In support of this ridiculous contention defendant's counsel cites *Walker on Patents* which, as a matter of fact, does not say or even intimate that expert testimony *must* be presented. What *Walker on Patents* does say is:

"Proof of infringement cannot be made by affidavits *which merely state that conclusion of fact*. The complainant must prove the specific character of the defendant's doings. Upon that evidence the Court will examine and decide the question of infringement in the light of *whatever* expert testimony the case may contain." (Italics ours.) (*Walker on Patents*, Sixth Edition, Vol. 1, p. 796.)

The much criticized affidavit of Mr. O'Brien, which was

neither intended nor purports to be an "expert" affidavit, strictly conforms to the requirement specified by Walker; it merely identifies and describes the defendant's lift, its structural features and operation and results. It establishes "the specific character of the defendant's doings" but makes no attempt to prove infringement by stating "that conclusion of fact." On the other hand, the defendant's "expert" affidavit of Mr. Lyndon fairly reeks with expressions such as "Lunati invented nothing," his patent is "without invention or validity" and "defendant's structure could not infringe it."

In thus expressing opinions upon and attempting to decide the very matters which are the exclusive prerogative and duty of the Court, we submit that the Lyndon affidavit is, very largely, not only incompetent but grossly improper.

The mechanism disclosed and covered by the Lunati patent and the device made by the defendant are exceedingly simple and operate in accordance with principles which are readily understood by anyone. In fact, it is this very simplicity which is largely responsible for their great utility and popularity.

But, in spite of the insistence of defendant's counsel that the Lunati lift is altogether too simple to be patented,—so simple that any ordinary mechanic skilled in the art could have produced it—still, in order to enlighten the Court on this exceedingly simple device defendant submitted an affidavit of an expert who required over four pages of the record to recite his educational, experimental and institutional qualifications along mechanical and electrical lines. A Fellow of the American Institute of Electrical Engineers (a selected group of 760 of a total membership of 13,000), a member of the American Society of Civil Engineers (a selected group of 115 individuals in a total membership of about 25,000 and a Fellow of the Royal Society (of Arts) London. Imagine testing the capabilities

of "the ordinary mechanic skilled in the art" against such a highly trained mind as that of the defendant's expert.

We do not care to dwell longer upon this matter, but believe that it is not amiss to quote from some decisions dealing with the necessity for (in a simple case) and the permissible field of expert testimony.

Hardinge Conical Mill Co. v. Abbe Engineering Co., et al., 195 Fed. 936, 940, Second C. C. A., 1913, Opinion by LaCombe:

"Its [the defendant's] contention here is that the patent is a puzzling one difficult to comprehend, and that an expert should have been called to show just what is the structure, mode of action, and result of the patented apparatus and also of defendant's; that in no other way could it be made to appear that there is such identity of structure and function as would sustain a finding of infringement.

"We do not agree with defendant's counsel. We find nothing difficult, intricate, or puzzling about the specifications, the drawings, or the single claim, on which complainant relies. Possibly an expert, if allowed to talk long enough, might have made them seem puzzling by the use of a multitude of words, and the reading into the description of propositions suggested by anything in the specifications. Just what the structure is, how it works, and what results from its operation, is set forth in plain language in the patent; there is nothing improbable in the results which the inventor asserts, an assertion to which the Patent Office gave credit." (Page 939.)

"Complainant is to be commended for not overloading such a simple case with expert testimony." (Pages 939, 940.)

Safety Car Heating & Lighting Co. v. Gould Coupler Co., 239 Fed. 861, 865, Second C. C. A., 1917, Opinion by Hough, C. J.:

"The record herein largely consists of the opinions of expert witnesses as to the meaning of words and phrases needing no definitions; such testimony (if it can be given that name) is a volunteering of duties

laid by law on jury or court, and should not be suffered. Opinion evidence, on the very point submitted for decision, is always incompetent." (Page 865.)

Kohn v. Eimer, et al., 265 Fed. 900, 903, Second C. C. A., 1920, Opinion by Learned Hand, C. J.:

"At the outset the appellant challenges our right to examine the prior art patents at all, because the appellee called no expert at the trial to explain them. *Waterman v. Shipman*, 55 Fed. 982, 987, 5 C. C. A. 371. We have not the slightest wish to minimize the vital importance of expert testimony in patent suits, or to suggest that we are not absolutely dependent upon it within its proper scope, but that scope is often altogether misapprehended, as the appellant has misapprehended it here. Specifications are written to those skilled in the art, among whom judges are not. It therefore becomes necessary, when the terminology of the art is not comprehensible to a lay person, that so much of it as is used in the specifications should be translated into colloquial language; in short, that the judge should understand what the specifications say. *This is the only permissible use of expert testimony which we recognize. When the judge has understood the specifications, he cannot avoid the responsibility of deciding himself all questions of infringement and anticipation, and the testimony of experts upon these issues is inevitably a burdensome impertinence.*" (Italics ours.)

The District Court Properly Sustained Plaintiffs' Objections to Defendant's "First Supplemental Interrogatories."

(This is not a Matter over which this Court can have jurisdiction upon this 30 day appeal.)

Defendant's counsel stresses the sustaining of plaintiffs' objections to defendant's ninety-eight "First Supplemental Interrogatories" as a factor showing "bias and prejudice and unfairness" on the part of the District Court.

As we will now show, the District Court was absolutely

right in sustaining plaintiffs' objections to these highly improper interrogatories.

They were not presented until after the beginning of the hearing on the preliminary injunction motion.

They related to no alleged defense presented to the District Court in opposition to the motion for preliminary injunction, and consequently had nothing whatever to do with the proceeding here on appeal.

They related to no defense properly raised by the defendant's answer or any amendment thereto.

These ninety-eight "First Supplemental Interrogatories" refer to an alleged use of a lift by one John Cochin at San Francisco, California, which defendant's counsel asserts is "a complete anticipation . . . to the Lunati patent" (Defendant's Brief, p. 7).

Such a defense was neither presented to the District Court in opposition to plaintiffs' motion for preliminary injunction nor was it set up in the answer or any amendment thereto.

The District Court sustained plaintiffs' objections,—and properly did so because:

1. They related to no issue raised by the pleadings.

The statutes provide that such defenses shall be set up in the answer. (U. S. Code, Title 35, Sec. 69; Revised Statutes, Sec. 4920):

"In an action for infringement the defendant may plead the general issue, and, having given notice in writing to the plaintiff or his attorney thirty days before, may prove on trial any one or more of the following special matters:

"Fourth: That he was not the original and first inventor or discoverer of any material and substantial part of the thing patented; or,

"Fifth. That it had been in public use or on sale in this country for more than two years before his application for patent, . . .

“And in notices as to proof of previous invention, knowledge, or use of the thing patented, the defendant shall state . . . the names and residences of the persons alleged to have invented or to have had the prior knowledge of the thing patented, and where and by whom it had been used; . . . And the like defenses may be pleaded in any suit in equity for relief against an alleged infringement; and proofs of the same may be given upon like notice in the answer of the defendant, and with the like effect.” (Italics ours.)

2. They related to no facts or documents “material to the support or defense of the cause” as provided by Equity Rule 58.

3. They did not seek ultimate facts but merely matters of evidence.

4. They merely sought to learn what plaintiffs possibly might or might not have been told about alleged evidence conjectured or suspected by defendant or his counsel to exist pertaining to an instance of alleged prior use.

5. They sought to learn from plaintiffs the names of witnesses suspected or presumed by the defendant or his counsel to have some knowledge of the alleged use.

6. They amounted to nothing but a curious excursion or fishing expedition to learn whether or not plaintiffs possessed or knew of any evidence which might possibly establish or tend to establish an alleged use or assist the defendant in discovering and collecting evidence relative thereto.

7. They amounted to cross-examination on purely evidentiary matters pertaining to an alleged ultimate fact of which plaintiffs in answer to previous interrogatories had expressly denied any evidentiary knowledge whatsoever.

8. They called for hearsay evidence.

After a long argument on the propriety or impropriety of these interrogatories the District Court prefaced his order sustaining plaintiffs' objections by the statement (Rec. Vol. 2, p. 864):

“It seems that in the rule referred to by Judge James we have very logically set forth the proposition that a defendant seeking to present evidence or to acquire information relative to the state of the prior art may not call upon the plaintiff to undertake to furnish that information. It sounds to us as rather a—quite an extraordinary proposition.”

The opinion of Judge James referred to by the District Court is that of *Miller & Pardee v. Lawrence A. Sweet Mfg. Co.*, 3 Fed. (2d) 198, wherein, with reference to the proper sphere and scope of interrogatories under Equity Rule 58, the Court said:

“But there should be quite clear limits put to the scope of interrogatories which a party may propound to his opponent, admitting the allowance of the liberal rule stated. The interrogatories should not go to the length of examination and cross-examination on evidentiary matter, nor yet become a mere curious excursion, to find *whether the party interrogated may possibly know something* which will aid a cause or the defense to it. Interrogatories should be of such a character as that, by examining the issues proposed or made up, it can be seen that the answers required will reasonably state or illustrate a material fact. Interrogatories requiring a plaintiff, for instance, to *state whether he knows of any prior use* antedating his patent, asked in the hope that the defendant may discover valuable defense matter, belong to this class, and are improper.” (Italics ours.)

The Memorandum Briefs in the Form of Letters From Counsel to the Court Were Neither Private Nor Prejudicial.

(Not an Appealable Matter.)

Defendant's counsel make much ado about two letters from plaintiffs' counsel to the District Court (Rec. Vol. 2, p. 291 and p. 941).

Plaintiffs' counsel have no apologies for these letters.

Neither was private nor secret; copies of both were sent to and received by defendant's counsel simultaneously with those sent to and received by the Court; each was justified by the circumstances which prompted it.

In order that this Court may be fully apprised of the circumstances we shall briefly review the events which preceded and, in the opinion of plaintiffs' counsel, not only justify but made necessary each letter.

Letter of November 12, 1931. (Rec. Vol. 2, p. 291.)

This letter was written by plaintiffs' counsel on the train returning to Chicago from the hearing of November 9. Due to some interruptions, necessitated by the District Court being compelled to hear other motions on its regular motion day, plaintiffs' counsel was unable to complete all of the contemplated argument-in-chief in support of the motion for preliminary injunction; defendant's argument had not been presented and consequently the hearing was continued to the next motion day, the following Monday, November 16.

Plaintiffs' counsel had an argument which had been set for November 17 before the Second Circuit Court of Appeals at New York, and which made it impossible for him to remain in Los Angeles until November 16 either to complete his argument or be present during the presentation of the defendant's case. Consequently, on the expressed understanding that the hearing would proceed in his absence on November 16, plaintiffs' counsel by this brief-like letter of November 12 merely completed the planned argument-in-chief on plaintiffs' behalf. A copy of this letter was simultaneously mailed to defendant's counsel and the fact that he received this copy before the hearing was resumed on November 16 is shown by the repeated reference to it during his argument on that day.

Thus this letter, which was nothing more than a memo-

randum brief in extension and completion of the opening argument on plaintiffs' behalf, was neither secret nor private; it was explicitly referred to and replied to by defendant's counsel in his argument on November 16. It was obviously intended to become and it did immediately become a part of the record in this cause. Surely documents filed in the record of a cause before a United States District Court cannot be considered either private or secret.

Letter of January 4, 1932. (Rec. Vol. 2, p. 941.)

This letter from plaintiffs' counsel to the District Court was in effect a reply brief. It was made necessary by and was solely in reply to the letter of December 31, 1931, from defendant's counsel to the District Court (Rec. Vol. 2, p. 940).

Defendant's counsel in his letter of December 31, 1931, was obviously attempting to induce the District Court to deny plaintiffs' motion for a preliminary injunction **without any consideration of its merits**. The suggestion or invitation thus summarily to dispose of plaintiffs' motion was based upon the unwarranted and wholly erroneous proposition that because the reference to the Master had been vacated the District Court should enter an immediate order denying the motion for a preliminary injunction,—obviously without any consideration of the merits of the motion.

The letter of plaintiffs' counsel was an emphatic expression of his objection to any such summary disposition of the case and an argument as to why the District Court should consider the motion on its merits and either grant or deny it upon its merits.

That this letter was neither private nor secret is shown from the fact that defendant's counsel received a copy of it and immediately dispatched a reply to the District Court (Rec. Vol. 2, p. 945) and by the fact that the letter was made of record in the cause.

The Vacation of a Reference to a Master Was Justified and Not Prejudicial to Defendant.

(This, of course, is not an Appealable Matter, at this time.)

From the outset defendant's counsel "suggested" that the case be referred to a Master—not to consider plaintiffs' motion for preliminary injunction but for disposition of the entire cause (Rec. Vol. 1, pp. 106, 140; Vol. 2, pp. 574, 733). At no time did the defendant formally apply for a reference; nor did the defendant ever make or offer to make any showing of either the necessity for or the desirability of a reference.

Indeed, counsel for the *defendant* himself did not even consent to proceed under the order of reference to a Master until eight days after the order was entered on December 15, 1931, when defendant's counsel (Mr. Blakeslee) telegraphed to plaintiffs' counsel, "Lunati *versus* Sommer. After conference with client have determined to proceed under order of reference" (Rec. Vol. 2, p. 93).

The District Court had repelled all such suggestions until on or about December 11, 1931,—after three days had been devoted to argument on the merits of plaintiffs' motion for preliminary injunction and after plaintiffs' counsel had taken two trips from Chicago to Los Angeles in connection with those arguments.

In this connection the following colloquy occurred between Court and counsel at the close of the last day of argument on December 1st (Rec., Vol. 2, pp. 817 to 819):

"*The Court:* We find from our calendar some other motions in this same case, having to do with interrogatories and bill of particulars. We have no time to hear those and we would suggest to counsel, if they are going to be seriously urged, we shall want to hear oral argument upon the same. I would suggest in that connection that the entire proceeding go over for a later

date, and in the meanwhile we shall be studying the application for the preliminary injunction.

“*Mr. Hinkle:* I think that is perfectly proper, your Honor, because in all of these other motions there is nothing that involves this preliminary injunction question, only other matters that are of importance at final hearing.

“*Mr. Blakeslee:* We had them continued at our suggestion two weeks ago. There was no opposing counsel here, but we were gracious enough to do that.

“*The Court:* We suggest that those motions go over three weeks from this day; the same, likewise, of the matter of setting.

“*Mr. Blakeslee:* That will be the 22nd of December.

“*The Court:* I should say, rather, three weeks from yesterday, which will be December 21st.

“*Mr. Blakeslee:* December 21st; and also the matter of setting.

“*The Court:* Yes.

“*Mr. Blakeslee:* *Has Your Honor still any relaxation of mind on the question of a possible reference?*

“*The Court:* We were about to ask counsel for the other side: Yesterday, Mr. Hinkle, you said you did not believe this case could be tried within four days. Mr. Blakeslee indicated that the defense could put in its case within two days. What is your estimate as to the length of time the case will require on final hearing?

“*Mr. Hinkle:* The Orgill case took two weeks. When I say ‘two weeks,’ I mean two weeks of business days. I would suspect, from what I have seen here of this case, that defendant’s counsel’s estimate is exceedingly modest.

“*The Court:* Well, at any rate—

“*Mr. Hinkle:* I think it would take plaintiffs probably a day or a day and a half to put in a *prima facie* case, and then it would be up to the defendant; and, of course, how much time we would require for rebuttal would depend upon what they did.

“*The Court:* In the event that a hearing could be accorded next month, that is, January, would your side be ready?

“*Mr. Hinkle:* That I could not say. Mr. Williams will try that case, and I do not know. He is not here,

and would have to speak for himself. I should imagine so, but I cannot bind him on that.

“*The Court*: Will you see him within the next few days?

“*Mr. Hinkle*: I expect to.

“*The Court*: May we ask you to have him telegraph the court, indicating whether he could prepare to go to trial next month?

“*Mr. Hinkle*: Yes, I can do that, but in the meantime, I think that this—

“*The Court*: It may be that we can find some way; it may be that I may be relieved by the visiting judge who is likely to be here about the end of the month, that is, possibly be relieved long enough to hear this case.

“*Mr. Blakeslee*: *By the way, of course, we would rather have your Honor hear it, and particularly inasmuch as your Honor has gotten such a comprehensive picture.*

“*The Court*: What I have in mind is, that judge would take the other calendar.

“*Mr. Blakeslee*: In that connection, I spoke yesterday of that Otis Elevator case and I have since talked with Mr. Lane, communicated with him in Chicago, who is chief counsel in that case, patent counsel and, as I mentioned yesterday, Mr. Leonard Lyon said he felt he could not try that case on the 5th of next month, the time it is set. Now, your Honor said something about you did not think it could be reached. That case I presume would take a couple of weeks. That is another kind of elevator case, and Mr. Lane has said that he is willing to have this case stricken from the calendar, to be reset. Now, of course, that is a matter for your Honor to determine, but that would make some space there. That case might just be stricken from the calendar.

“*The Court*: No, as we indicated yesterday, we set two cases for the same time, having in mind some statement made to the effect that, by placing this case on the calendar and giving some indication that the defense was ready, perhaps it would bring the matter to the other side, the realization that the case was without merit and ought to be dismissed.

“*Mr. Blakeslee*: I do not know as we are capable of having that realization. I think it is of merit, but the

point is this: Suppose Mr. Lane comes here from Chicago, the 5th of next month, ready to try it, will the court be able to hear it?

“*The Court*: Now, we certainly do not expect to try that case. It was put on the calendar with the understanding it would merely serve that possibly essential purpose, but not if both sides were determined to go ahead, that we could hear it. Oh, no.

“*Mr. Blakeslee*: One reason for delaying that case was, there was litigation in the Second Circuit out of the same patent.

“*The Court*: Yes, you said you thought that would probably dispose of this. [The Otis case.]”

In response to the request of the District Court that plaintiffs' senior counsel “telegraph to the Court, indicating whether he could prepare to go to trial next month,” plaintiffs' senior counsel sent the following telegram to the District Court on December 9, 1931 (Rec. Vol. 1, p. 314):

“Chicago, Illinois, December 9, 1931.

Honorable HARRY A. HOLZER, Judge,
United States District Court,
Post Office Building,
Los Angeles, California.

Pursuant to your request through Mr. Hinkle I have succeeded in readjusting my court engagements so that I can try the suit of Lunati vs. Sommer beginning any day after December 28 and including any day before January 19.

Signed: LYNN A. WILLIAMS.”

Apparently, in spite of the desire and intention of the District Court to proceed with the trial of this case at the earliest possible date, defendant's counsel continued in some *ex parte* manner to repeat the suggestion of a reference to a Master and to discuss the matter of interrogatories, use of affidavits, etc., until, in desperation, the District Court on December 11 telegraphed plaintiffs' counsel as follows (Rec. Vol. 1, p. 284):

“December 11, 1932.

LYNN A. WILLIAMS, Attorney,
1315 Monadnock Block,
Chicago, Illinois.

Have arranged with Judge Bledsoe who served in this court for many years as Judge to act as Special Master hearing Lunati case beginning December 29 stop Defense requests Plaintiffs answer or object to Defendant's interrogatories by December 16 stop Believe this reasonable in view of early trial stop Defense states if answers to interrogatories not satisfactory depositions will be taken in San Francisco without delay stop Defense also requests affidavit of his expert on file be received as direct testimony with leave for Plaintiff to cross-examine pursuant to Rule 48 stop Please wire reply.

HARRY A. HOLZER,
U. S. District Judge.”

To this telegram from the District Court plaintiffs' counsel replied by wire on December 12 as follows (Rec. Vol. 1, p. 285):

“1931 Dec. 12 P. M. 1221

RXCB 652 242 1/136 Chicago Illinois 12-21 OP
Hon. HARRY A. HOLZER, Judge,
United States District Court,
Main Post Office Building,
Los A.

Re Lunati vs. Sommers the Defendant has never pleaded any defense based upon the alleged prior use by Cochin of San Francisco and none can be made unless pleaded stop If this defense is now to be asserted we cannot possibly proceed with trial on December 29th or in January stop We certainly are entitled to notice and preparation for such a defense which presumably would have to be made and rebutted by depositions taken in San Francisco stop In my effort to adjust my engagements in such a way as to make possible a trial in January of the issues thus pleaded I have had to make irrevokable court engagements for December 17 and 18 in New York and December 22 in Detroit and would now be unable to attend San Francisco depositions before December 29 even if this defense had been pleaded investigated and noticed stop Plaintiffs only information relative to this unpleaded

Cochin defense is untrue and unfounded hearsay upon which we cannot answer Defendant's interrogatories of our own knowledge nor in any way satisfactory for Defendant's purpose stop My engagement in Dayton on Monday and O'Brein's absence from his home in Memphis on a trip from which he is not expected to return until December 17 will make it impossible for us to file any answer to Defendant's interrogatories before December twenty-first as ordered on December 7th and as we were advised by telegram that day.

Signed: LYNN A. WILLIAMS."

On December 15, 1931, the District Court made the order referring the entire cause to Honorable Benjamin F. Bledsoe as Special Master, copies of the foregoing telegrams between the Court and plaintiffs' counsel being attached thereto and made a part thereof (Rec. Vol. 1, pp. 282, 283).

On December 30th plaintiffs' motion to revoke the reference to the Special Master was heard by the District Court and, as a result of the objections raised on plaintiffs' behalf the Court vacated the order of reference and continued the case to January 11, 1932, for setting for final hearing before the Court (Rec. Vol. 1, p. 319).

Defendant never made nor offered to make the slightest showing—as distinguished from his counsel's unsupported and unverified statements—that the vacation or revocation of the reference to a Special Master would cause or had caused him the slightest inconvenience or hardship or that the delay in the trial before the District Court would cause or had caused him the slightest inconvenience or damage or had caused or resulted in any difference in his status. As a matter of fact, it would seem quite obvious that the longer the defendant could remain free to compete with the Rotary Lift Company and its licensees—the longer he could put off a possible injunction—the better would his position be and remain.

When the matter of this reference to a Master came to a head in December, 1931, the business depression of the

world had so affected Lunati and the Rotary Lift Company that they could not possibly meet the expense of proceeding before the Master and the expense of all of the arguments and briefs which would be entailed upon exceptions to the Master's report. This controllingly important reason why the plaintiffs could not proceed with the reference was not explained to counsel for the plaintiffs until he met Mr. O'Brien, president of the Rotary Lift Company, on the train at Kansas City while en route to Los Angeles for the hearings, which were set to begin on December 29th. These matters could not earlier have been brought to the attention of counsel for plaintiffs because of the fact that Mr. O'Brien was away from his office on a selling expedition at the time the reference was proposed by Judge Hollzer, and subsequently ordered on December 15th. These compelling reasons why plaintiffs could not proceed under the reference to the Master were fully explained to the Court in connection with the plaintiffs' motion to vacate the order of reference.

In this connection we quote without comment from the opinion of the United States Supreme Court in the mandamus case of *Los Angeles Brush Manufacturing Corporation v. William P. James*, 272 U. S. 701; 71 L. Ed. 481:

“Rule 46 requires that in any trials in equity the testimony of witnesses shall be taken orally in open court, except as otherwise provided by statute or the rules, and that the court shall pass upon the admissibility of all evidence offered as in actions at law. Equity rule 59 provides that save in matters of account, a reference to a master shall be the exception, not the rule, and shall be made only upon a showing that some exceptional condition requires it. These rules were adopted by this court after a thorough revision. Committees of the Bar from the nine different circuits were invited to assist the court in the matter. The court, after much consideration, concluded that the then method of taking evidence in patent, and other

causes in equity had been productive of unnecessary expense and burden to the litigants and caused much delay in their disposition, and that the effective way to avoid the making of extended records, unnecessary to a consideration of the real issues of the causes, was to require, so far as it might be possible and practicable, that the evidence taken in patent and other cases should be taken in open court, and that in only exceptional cases should the cause be referred after issue to a special master. Though there has been some criticism and complaint of the inconveniences that arise from this change of the rules, the court is strongly convinced that the change has justified itself and has no purpose to amend the provisions of rule 46 and rule 59. Were it to find that the rules have been practically nullified by a district judge or by a concert of action on the part of several district judges, it would not hesitate to restrain them. One of the causes for complaint of the general administration of justice is the expense it entails upon the litigants, and so far as it reasonably may do so, this court is anxious to minimize the basis for such complaints. There is no reason why a patent litigant should be subjected to any greater expense than any other litigant except as it may be involved in the inherent and inevitable difference between the presentation of the issues as to the merit and validity of a patent grant and that which obtains in the litigation of an ordinary bill for relief in equity or of an action at law upon a debt or for a tort.

“Of course, courts must exercise a discretion in reference to the order of business to be conducted before them, and all the cases can not be heard at once. It is in the interest of economy of time that there should be hearings, first in one class of cases, and then in another, provided each class may be given an opportunity within a reasonable time. Arguments based on humanity and necessity for the preservation of public order require that criminal cases should be given a reasonable preference, but even this must be conceded with moderation, and what time there is of the court in view of the whole docket must be equitably distributed. The reason given in the order for referring these cases to a special master is that there is congestion in the court’s calendar and that there are many other cases entitled to be heard first, including a large

number of criminal causes which should be preferred over civil causes as to the trial thereof, that other civil litigation has not been accorded a fair proportion of the time of the court, and that the condition will continue unless many of the patent cases, including this cause, be disposed of by such a reference.

“In view of the recitals of the order, we are not inclined to infer that there has been any deliberate abuse of discretion in this matter or to hold that there may not sometimes be such a congestion in the docket as to criminal cases as would justify a district judge in not literally complying with the requirements of the two rules in question. There has been an emergency due to a lack of judges in some districts which we can not ignore. We shall therefore deny leave to file this petition, but are content to state our views on the general subject, with confidence that the district judges will be advised how important we think these two rules are, and that we intend, so far as lies in our power, to make them reasonably effective for the purpose had in view in their adoption.”

Brief History of Rotary Lift Company's Business.

The Rotary Lift Company was organized March 26, 1925, with a capitalization of only \$50,000, for the purpose of marketing Lunati lifts under an exclusive license under the patent in suit. It does not have and never has had any other business than that relating to the manufacture and sale of Lunati lifts. Between 1925 and 1929 the yearly quantities and money values of Lunati lifts manufactured and sold by it were as follows (Rec. Vol. 1, pp. 11-13).

<i>Year</i>	<i>Number Sold</i>	<i>Sales in Dollars</i>
1925	99	\$ 48,160.25
1926	929	456,625.75
1927	1008	431,918.54
1928	1328	369,701.09
1929	3271	682,689.37

The Orgill suit was started on June 16, 1929. The defendant in the Orgill suit was a dealer in the Curtis lift, an automobile servicing lift manufactured by the Curtis Manufacturing Company of St. Louis, Mo., but the Curtis Company actually "assumed the expense and exercised the direction and control of the defense" (Final Decree—Plaintiff's Exhibit No. 17—Physical Exhibit).

The Orgill suit was tried before a Master from January 15 to 25, 1929 and on April 2, 1929, the Master filed a report finding claims 2, 3, 7 and 8 of the Lunati patent (the only claims there in suit) valid and infringed by the Curtis lift. The Master's report was confirmed on August 12, 1929 (Rec. Vol. 1, p. 617). The interlocutory decree was entered on October 4, 1929, and injunction issued on October 9, 1929.

Defendant's counsel erroneously asserts that the District Court in this Orgill suit expressed "grave doubt" of the validity of claims 2, 3, 7 and 8 of the Lunati patent, whereas the District Court expressed no such doubt. What the Court actually said was (Rec. Vol. 1, p. 529):

"It is a close question. On the whole I am inclined to agree with the Master and treat the Lunati device as a novel combination of old elements ranking as invention. After all, most machines are based on very well known mechanical laws and their operation and principle are very obvious indeed, once some inventor has put them into successful operation." (Italics ours.)

On October 19, 1929, the Curtis Company was granted a license which it had applied for under the Lunati patent (Rec. Vol. 3, p. 11-A) and on November 18, 1929, the final decree in the Orgill suit was entered.

The decree in this Orgill suit constitutes the prior adjudication of claims 2, 3, 7 and 8 upon which plaintiffs rely and base their right to a preliminary injunction against this defendant. However, some subsequent litigations and the results thereof do, we submit, have a strongly persuasive

effect in indicating the attitude of other competitive manufacturing concerns, toward the Lunati patent and their acquiescence in its validity.

Thus on February 19, 1930, suit was started in the Western District of Tennessee against the Oildraulic Lift Company. The Oildraulic Lift Company likewise applied for and was granted a license under the Lunati patent and consented to the entry of a final decree on February 27, 1930.

On April 7, 1930, suit was brought in the Southern District of Ohio against the Joyce-Cridland Company and that company secured a license under the Lunati patent, consenting to the entry of a final decree on February 2, 1931.

On January 2, 1931, licenses under the Lunati patent were secured by the following additional manufacturing concerns:

Globe Machinery & Supply Co., Des Moines, Iowa.

U. S. Air Compressor Company, Cleveland, Ohio.

John Cochin, San Francisco, California.

Lacer-Hallett Company, Los Angeles, California.

Hollister-Whitney Company, Quincy, Illinois.

(O'Brien Affidavit, Rec. Vol. 2, p. 207.)

Since the commencement of this suit additional licenses were secured by:

Manley Manufacturing Company (American Chain Company), Bridgeport, Connecticut.

Wayne Company, Fort Wayne, Indiana.

(O'Brien Reply Affidavit, Rec. Vol. 1, p. 207.)

The form of license under which each of these concerns operates is printed in the record, Vol. 3, beginning at page 11-B.

Under the terms of the license to these manufacturers each, among other things, pays to the Rotary Lift Company a royalty of ten dollars per lift, and agrees monthly

to report the number of licensed lifts sold and to pay the royalty due.

Whereas the Rotary Lift Company was a new concern, organized and capitalized solely for the purpose of manufacturing and selling the Lunati invention, these ten concerns were old, long established and wealthy organizations which for years had been leaders in the manufacture of other lines, such as Weed tire chains, hydraulic elevators, air compressors, hoisting equipment, plumbing fixtures, gasoline pumps and automobile accessories. Several of them are capitalized for millions of dollars. Together with the Rotary Lift Company, they have probably sold more than ninety per cent of all of the automobile servicing lifts which have gone into use since the advent of the Lunati patent.

The Rotary Lift Company has invested more than \$250,000.00 in the Lunati patent. Up to the present time the Rotary Lift Company has not been able to pay any dividends or to reimburse its stockholders in any degree for the money invested by them in converting a very sceptical public to the idea that it was possible and feasible and safe and altogether desirable to service the under-body of an automobile by perching it at the top of a single hydraulic plunger six feet above the surface of the earth. It was only after a long period of "missionary work" that the automobile servicing public was convinced that the Lunati lift was the final and perfect solution of a long continued effort to provide access to the under-body of an automobile for service work of all kinds.

On February 19, 1931, suit was brought in the Western District of Missouri against the Clear Vision Pump Company. In this Clear Vision suit motion was made for a preliminary injunction, the motion was argued before Honorable Albert L. Reeves, District Judge for the Western District of Missouri on April 3, 1931, and, after filing ex-

tensive briefs, the motion was submitted on May 6, 1931. On September 28, 1931, an opinion favorable to plaintiffs was rendered and an order for preliminary injunction was entered on September 29, 1931 (Rec. Vol. 2, p. 254).

The Relation of the Parties to the Patent.

The Rotary Lift Company was organized in 1925 to manufacture and market automobile servicing lifts under the Lunati patent. Its initial capital was only \$50,000 (O'Brien Affidavit, Rec. Vol. 1, p. 11).

It never has had any other business; deprived of the lift business it would have nothing on which to exist. Mr. Lunati, the patentee, has no appreciable income other than that derived from the royalties he receives from the Rotary Lift Company (O'Brien Affidavit, Rec. Vol. 1, p. 29).

In June, 1928, the Orgill suit was started against a dealer in lifts made by one of the country's oldest and largest elevator manufacturers, the Curtis Manufacturing Company of St. Louis, Mo. The Curtis Company actually controlled, directed and financed the defense in that suit. It was bitterly contested. Every issue raised here was raised there. The case was heard before the court's Standing Master from January 15th to January 25th, 1929. Passenger and freight elevators of many kinds and varieties, the Wood, Zimmerman and Appleton & McCoy patents and many others, alleged file-wrapper estoppel and double patenting were all paraded before the Master with great zeal and much emphasis. But the Master, in a report which consumes forty-six pages of this record, found claims 2, 3, 7 and 8 (which were the claims there in suit) valid and infringed (Master's Report, Rec. Vol. 1, pp. 469 to 515).

On exceptions to the Master's Report the same alleged defenses were again urged before the Court. But that re-

port was affirmed on August 12, 1929, by Judge Anderson of the District Court for the Western District of Tennessee, Western Division. On October 4, 1929, an interlocutory decree was entered finding claims 2, 3, 7 and 8 valid and infringed and on October 9, 1929, the injunction issued.

Prior to the entry of the interlocutory decree and the issuance of the injunction there had been no settlement or negotiations for a settlement of the Orgill suit. But afterwards (on October 19, 1929) the Curtis Company did negotiate and take a license and a final decree was entered by consent on October 18, 1929 (Answer to Defendant's Interrogatory No. 74, Rec. Vol. 1, p. 211).

This was but the beginning.

On February 19, 1930, suit was started against the Oil-draulic Lift Company of Memphis, Tennessee. The Oil-draulic Lift Company likewise applied for and took a license under the Lunati patent and on February 27, 1930, a consent decree in favor of plaintiffs was entered (O'Brien Affidavit, Rec. Vol. 1, p. 22).

On April 7, 1930, suit was started in the Southern District of Ohio, against the Joyce-Cridland Co. and White's Auto Machine & Parts Co. of Dayton. On February 2, 1931, a consent decree in favor of plaintiffs was entered in this suit (O'Brien Affidavit, Rec. Vol. 1, p. 24).

On February 19, 1931, the Clear Vision suit was started and on the same day a motion for a preliminary injunction was filed therein. Extensive affidavits and numerous exhibits were filed by both parties. The motion was argued before Honorable Albert L. Reeves, District Judge for the Western District of Missouri on April 3, 1931, briefs were filed by both parties and on May 6, 1931, the motion was finally submitted to the Court. On September 28, 1931, Judge Reeves rendered an opinion granting plaintiffs' motion and on September 29, 1931, an order for preliminary

injunction was entered; and the defendants are still under injunction (O'Brien Reply Affidavit, Rec. Vol. 1, p. 254).

On January 2, 1931, the Rotary Lift Company entered into a license agreement with eight of the sub-licensees heretofore mentioned and subsequently two other licensees, viz., Manley Manufacturing Co. of Bridgeport, Connecticut, and the Wayne Company, Fort Wayne, Indiana, became sub-licensees under the Lunati patent.

In excess of \$250,000 had been spent by the Rotary Lift Company prior to March 23, 1931, in royalties to Mr. Lunati and in conducting litigation against infringers and in negotiating licenses under the patent in suit.

Two of the licensees of the Rotary Lift Company are located on the Pacific Coast, one at San Francisco and one at Los Angeles.

Obviously neither the Rotary Lift Company nor these licensees can continue to do business in competition with concerns who do not have to pay royalty and who, unlike the Rotary Lift Company and its sub-licensees, may sell lifts at cut-throat prices.

As long as unlawful competition, such as that offered by the defendant here, continues nothing but ruin faces the Rotary Lift Company and the lift business of its sub-licensees.

The defendant admittedly has other lines of business than the lift business. In addition to lifts, he manufactures and sells Hi-Pressure Greasing Equipment and Gasoline Dispensing Units. One of his advertising folders (Plaintiffs' Exhibit No. 23—Physical Exhibit) pictures air compressors and self-oiling car washers in addition to the infringing lift. Obviously defendant has a diversified business, only one branch of which is the infringing automobile servicing lift.

Defendant pays a high compliment to its Lunati lift when he states that his Hi-Pressure Greasing Equipment

“is practically useless unless the customer buying the same has first purchased an automobile hoist.” But he does not say or even intimate that the “automobile hoist” must be of his own manufacture. Obviously his Hi-Pressure Greasing Equipment, etc., would be as useful with lifts manufactured by the Rotary Lift Company or one of its sub-licensees, as with lifts of his own manufacture.

On the one hand here are the plaintiffs (an inventor-patent owner and his licensee) who made all of the investment necessary to convince a skeptical public of the merits of the Lunati invention and now dependent entirely upon income derived from the invention of the Lunati patent. Under the law that patent granted to Lunati the exclusive right, for seventeen years, to manufacture, use and sell the thing covered thereby. The right granted by that patent is not merely to litigate; not merely to recover possible profits made by an infringer or damages sustained from infringement; not merely to grant licenses to whomsoever may ask for one. It is the right to exclude others from making, using or selling the patented device. Must Lunati and the Rotary Lift Company wait until each infringer has been brought to the bar of justice at final hearing before that right can be realized?

The law has been so established that that right to exclude should begin—does begin—when there has been an adjudication of validity after a final hearing in a contested case—unless new defenses are presented which are so cogent and convincing as to make it appear that a different conclusion would have been reached had they been presented in the earlier case.

Plaintiffs have such an adjudication.

On the other hand there is the defendant. With other lines of business to which he can look for income while awaiting the final hearing to prove if he can the merits, “not only on paper but in the industrial world,” of de-

fenses, the like of which—if not the identical defenses—have been passed upon and discredited by a Master and a Court after a long and bitterly contested trial, by another Court on a contested motion for preliminary injunction and, as to the admitted best of the so-called “new defenses,” also by the Patent Office Examiners.

CONCLUSION.

In conclusion it is submitted:

1. That the District Court did not abuse its discretion in granting plaintiffs’ motion for a preliminary injunction.

2. That nothing occurred during the proceedings which indicated any “peculiarly engendered bias” or “extreme bias and prejudice against appellant, coupled with abuse of discretion and want of comprehension” or “petulance” or “bias and prejudice and unfairness” on the part of the District Court.

3. That plaintiffs were not guilty of laches either in bringing suit after knowledge of infringement, or in moving for a preliminary injunction after bringing suit, or in the proceedings between the motion for preliminary injunction and the final submission thereof to the District Court.

4. That whatever delay was chargeable to plaintiffs or their counsel was the direct and necessary result of previous delays for which the defendant was wholly responsible.

5. That the District Court did not abuse its discretion in vacating the reference to a Special Master for the trial of the cause.

6. That the District Court was right in presuming claims 2, 3, 7 and 8 of the Lunati patent to be valid

because no new and cogent defense was presented to overcome the presumption of validity arising from the Orgill suit.

7. That the District Court was right in finding that defendant's lift infringed claims 2, 3, 7 and 8 of the Lunati patent.

8. That the order of the District Court should be affirmed.

9. That this Court should not be influenced by the defendant's discussion of the many "assignments of error" relative to which this Court has no jurisdiction upon such a 30 day appeal as was taken in this case.

Respectfully submitted,

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APPENDIX.

Brief descriptive analysis of each of the 35 alleged defenses submitted in opposition to the motion for preliminary injunction; also a chart comparison of claims 2, 3, 7 and 8 of the Lunati patent and these 35 alleged defenses.

Brief Analysis of Prior Art.

Hyde 216,326 (Rec. Vol. 3, p. 47). This patent discloses a dry dock for lifting vessels from the water and comprising a cradle (Fig. 4) adapted to lie below and support the keel of the vessel. This cradle is *suspended by four combined screw and hydraulically actuated jacks or "presses,"* one at each corner of the cradle, for *pulling up* the cradle and the vessel supported thereon.

The device was neither intended nor adapted for the servicing of automobiles nor would it be capable of such use.

The hydraulic pistons are incapable of rotation, they are not provided with parallel or any other variety of vehicle supporting rails, they have no stops for limiting upward movement or insuring lateral rigidity when raised and the cylinders are not adapted to be, and as constructed and intended to operate could not be embedded in the ground.

Milliken 243,391 (Rec. Vol. 3, p. 57). This patent shows one of the almost countless varieties of ordinary passenger and freight hydraulic elevators. When equipped with a cage or platform, as intended, for passengers or freight the plunger is incapable of rotation, it has no parallel vehicle supporting rails and no stop for limiting the upward movement thereof and lending lateral rigidity thereto when elevated. When raised by such an elevator the underbody of an automobile would be *less* accessible than if the automobile stood on the ground.

Baumgarten 302,880 (Rec. Vol. 3, p. 61). This patent shows merely one of a wide variety of hydraulic presses. As used the plunger has no stop for limiting upward movement or lending lateral rigidity thereto. Neither is the press plunger provided with spaced parallel rails or any other variety of "vehicle supporting means."

Tucker & Keegan 390,920 (Rec. Vol. 3, p. 67). This patent shows a hydraulic bridge for supporting fire-hose over streets or railway tracks to prevent the hose from blocking traffic. The bridge work is carried by two hydraulically actuated telescopic "standards," one at each end of the bridge work.

The device has no rotatable plunger, no parallel rails for or capable of supporting a vehicle for servicing or any other purpose, no stop for limiting the upward movement of and lending rigidity to the plunger and the plunger cylinder is not intended to be placed or arranged for placement in the earth.

Caldwell 569,574 (Rec. Vol. 3, p. 73). This patent shows an example of a type of small portable hydraulic jack adapted and intended for use in the laying and maintenance of railway rails, *i. e.*, a "track jack." Such jacks are, of course, neither intended nor adapted for operation while embedded in the ground; nor are they provided with parallel rails or any other means for supporting a vehicle. Only a few inches of movement are all that is required of or attainable with such a jack.

Sonnex 625,425 (Rec. Vol. 3, p. 119). This patent shows one of countless varieties of barber and dental chairs. Of course, such chairs are neither adapted nor intended to be embedded in the ground; nor do they have vehicle supporting rails or other vehicle supporting means of any variety.

Holtz 628,244 (Rec. Vol. 3, p. 127). This patent, like the Sonnex patent, shows one form of dental or barber chair.

The only feature in common between barber or dental chairs and vehicle servicing lifts of the Lunati type is the idea of utilizing fluid pressure to elevate a plunger.

Dutton 635,848 (Rec. Vol. 3, p. 81). The device shown in this patent is an automatic shock absorber or check for hydraulic cylinders such as used in elevators, etc. The device is not intended nor adapted for lifting. It has no rotatable plunger, no vehicle supporting rails and no cylinder adapted or intended to be embedded in the ground.

Wood 657,148 (Rec. Vol. 3, p. 201). This patent constituted one of the principal defenses in the Orgill and Clear Vision suits as well as in this suit. Furthermore, it was considered by the Patent Office Examiners during the prosecution of the Lunati application and the claims in suit were allowed thereover.

Inasmuch as this patent has heretofore been discussed in considerable detail (see *supra*, p. 76) it will not again be discussed here.

Cowley 744,906 (Rec. Vol. 3, p. 137). This patent, like those to Baumgarten and Holmes, discloses a hydraulic press. The plunger has no stop, no parallel vehicle supporting rails or any other kind of vehicle supporting means and is prevented from rotating.

Holmes 753,261 (Rec. Vol. 3, p. 91). This patent, like the Baumgarten and Cowley patents, shows a variety of hydraulic press. The structure was neither intended nor is it adapted to lift automobiles for servicing or any other purpose, it has no parallel rails or other vehicle supporting means and no stop for the plunger.

Sherrill 804,060 (Rec. Vol. 3, p. 213). This patent relates to a wheeled truck for handling baggage, bricks and the like, the truck being provided with a small platform lift to raise small wheeled dollies carried thereby to the level desired for loading and unloading. The device was neither intended nor adapted for automobile servicing nor is it

capable of such use. It has no parallel unobstructed vehicle supporting rails nor a stop for limiting upward movement of the plunger and lending lateral rigidity thereto.

Gearing & McGee 877,709 (Rec. Vol. 3, p. 221). This patent discloses the earliest attempt at the provision of an automobile servicing lift. Like the Zimmerman patent, however, this lift does not have a single centrally disposed rotatable supporting plunger, but **four** plungers, one adjacent each corner of the automobile. The rails can not be rotated nor are they free from extraneous elements which would interfere with underbody accessibility. This patent, together with the five others showing prior attempts to accomplish Lunati's purpose, has been fully discussed in one of the earlier sections of this brief (*supra*, p. 83).

Steedman 932,726 (Rec. Vol. 3, p. 97). This patent shows another variety of ordinary platform or cage elevator for freight or passengers. Like the Milliken patent it does not show parallel vehicle supporting rails or a stop for limiting the upward movement of and lending lateral rigidity to the cage or platform supporting plunger. Rigidity is secured by the cage or platform guides. As used in the manner contemplated the plunger is incapable of rotation.

Baker 957,536 (Rec. Vol. 3, p. 227). This patent relates merely to a small portable jack "for lifting one of the axles of the automobile so as to raise one pair of wheels temporarily off of the ground, and supporting said wheels on a castor or truck support which is capable of movement in various directions, enabling the automobile to be swung around on the other pair of wheels as a center." (Patent, page 1, lines 15 to 22.) The jack was neither intended for nor is it capable of bodily lifting an entire automobile. The jack does not have parallel vehicle supporting rails nor any other means for bodily lifting an automobile nor a plunger stop to limit upward movement and impart lateral

rigidity thereto. Many varieties of just such jacks were in common use long prior to Lunati's invention; but they were incapable of serving the purpose of the Lunati lift.

Turner 968,501 (Rec. Vol. 3, p. 103). This patent shows a circular platform lift for "use in loading and unloading baggage and freight"; it was not intended and it is not adapted for automobile servicing purposes. An automobile elevated on this device would be less accessible than when standing on the ground. The plunger is incapable of rotation, is not supplied with parallel vehicle supporting rails and has no stop for limiting its upward movement and insuring lateral rigidity when raised.

Zimmerman 986,888 (Rec. Vol. 3, p. 233). This patent, like the Gearing & McGee patent, shows one of the efforts which preceded Lunati for accomplishing Lunati's purposes. Like the Gearing & McGee patent it shows a *four post* lift incapable of rotation and not affording ready access to the underbody of an automobile supported thereon. This patent has heretofore been discussed in detail (*supra*, p. 75).

Appleton & McCoy 1,002,797 (Rec. Vol. 3, p. 311). This patent, like the Wood and Waters patents, shows a "pit jack" adapted to facilitate the removal and replacement of the wheels of railway cars and locomotives. It has neither parallel nor rotatably mounted vehicle supporting rails. This patent was previously discussed at some length (*supra*, p. 81).

Bauman 1,087,424 (Rec. Vol. 3, p. 187). This patent relates to a vehicle servicing lift intended for the accomplishment of the same purposes as the Lunati lift. The rails, however, are mounted upon a large turntable, which turntable is elevated by *four screw actuated jacks*. Such a device would be expensive to build, install and maintain, would require an excessive amount of power for its operation and, not being actuated by fluid pressure, could not

be operated by the ordinary service station air compressor. This patent shows one of the unsuccessful efforts, which preceded Lunati, to provide a satisfactory automobile servicing lift.

Pieper 1,137,080 (Rec. Vol. 3, p. 147). This patent shows another modification of the ordinary dental or barber chair. The device has no cylinder adapted to be embedded in the ground, no parallel vehicle supporting rails or other vehicle supporting means and no stop for the plunger.

Koken 1,178,733 (Rec. Vol. 3, p. 155). Another barber or dental chair patent.

Eide 1,185,640 (Rec. Vol. 3, p. 191). This patent relates to a turntable which is neither adapted to be elevated nor capable of any elevation whatever. The turntable has neither a plunger nor a cylinder nor any other arrangement for elevating an automobile or anything else.

This patent was considered by the Patent Office Examiner during the prosecution of the application for the Lunati patent and the claims allowed thereover.

Gates 1,188,063 (Rec. Vol. 3, p. 111). This patent, like the Baumgarten and Holmes patents, shows a variety of hydraulic press. The Gates press is particularly designed and intended for use in molding machines; it has no parallel vehicle supporting rails, no stop for the plunger and the plunger, when elevated, cannot be rotated.

Rawlings 1,213,012 (Rec. Vol. 3, p. 115). This patent discloses a small portable jack, like the ordinary jack carried by all automobiles, except that it is operated hydraulically instead of by the usual rack and pawl or screw and worm. It is only intended to be and can only be used to elevate one axle of an automobile a few inches. The plunger of this little jack has no vehicle supporting rails, is incapable of rotation, has no stop, and its cylinder is neither intended nor adapted to be embedded in the ground.

Rebmann & Hultgren 1,235,384 (Rec. Vol. 3, p. 167). Another barber or dental chair patent.

Wagner 1,389,403 (Rec. Vol. 3, p. 241). This patent discloses another lift along the same lines as the lifts of the Gearing & McGee and Zimmerman patents, *i. e.*, a *four post* non-rotatable, impractical and ineffective device. (*Supra.* p. 83.)

Healy 1,398,132 (Rec. Vol. 3, p. 195). This patent shows a small portable hand operated screw jack only intended by the patentee for "simultaneous lifting all of the wheels of the vehicle clear of the ground . . . thus providing a portable turntable." The small portable jack has no cylinder and no plunger of a hydraulic or pneumatic type and it would be wholly incapable of accomplishing the purposes of the Lunati or the defendant's lifts.

Lightner & Holmes 1,398 331 (Rec. Vol. 3, p. 247). This patent shows a device essentially like the *four post* lifts of the Gearing & McGee, Zimmerman and Wagner patents, although it was not intended by its inventor to be an automobile underbody servicing device. It was intended merely to serve as an elevator for raising an automobile so that a small wheeled transporting truck might be moved thereunder. The hoist was neither intended nor designed to rotate and is incapable of rotation.

Kcenigkramer 1,488,206 (Rec. Vol. 3, p. 179). Still another barber or dental chair patent.

Cleveland 1,494,588 (Rec. Vol. 3, p. 257). This patent shows another effort to accomplish Lunati's purpose. Like the Gearing & McGee, Zimmerman, Wagner and Lightner & Holmes patents it shows a *four post* non-rotatable device.

Hose 1,525,447 (Rec. Vol. 3, p. 265). This patent shows still another *four post* non-rotatable servicing lift. The lift is essentially the same as the lifts disclosed in the Gearing & McGee, Zimmerman, Wagner, Lightner & Holmes and Cleveland patents.

Waters Reissue 16,989 (Rec. Vol. 3, p. 279). This patent, like the Wood and Appleton & McCoy patents, discloses a "pit jack" designed and intended only to facilitate the application and removal of the wheels of railway cars and locomotives. The structure is wholly incapable of use as an automobile servicing lift. It has no parallel vehicle supporting rails carried by a centrally disposed plunger.

Lyndon Affidavit Sketch X—Athens, Ga., Hydraulic Press (Rec. Vol. 3, p. 309). This device, which defendant's expert Lyndon claimed was used at Athens, Georgia, as early as 1895 is essentially the same as the presses disclosed in the Baumgarten and Holmes patents. Of course, the device was neither intended nor adapted for automobile servicing work nor is it capable of such use. The device had no parallel vehicle supporting rails.

Publication Referred to by Lyndon. Exhibit 1-A to 8-A (Rec. Vol. 3, p. 2). Another variation of the ordinary hydraulic or pneumatic passenger and freight elevator. This device was previously discussed at some length. (*Supra*, p. 74.)

Otis Elevator—Exhibit A—Copes Affidavit (Rec. Vol. 3, p. 1). Merely another variety of passenger and freight elevator. Incapable of accomplishing Lunati's purpose. Heretofore discussed at some length. (*Supra*, p. 73.)

The following charts afford a quick and easy comparison between each claim in suit and all of the 35 alleged defenses.

Each of claims 2, 3, 7 and 8 is separated into its several features and elements; and the presence or absence of each such element and feature in each alleged defense is indicated,—absence by a red “NO” and presence by a black “YES.”

